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POLAND

Laws Offer Church Autonomy, Compensation, Return of Property

26000481 Warsaw *POLITYKA* in Polish
No 18, 6 May 89 pp 1, 6

[Article by Stanislaw Podemski: "Church Legislation"]

[Text] Last week, proposals for three laws on relations between the Catholic Church and the state, on guarantees of freedom of conscience and religion, and the safety of the clergy were read for the first time in the Sejm; the premier explained them. A special Sejm commission took up the proposals, and in May they will again appear on the order of business of a Sejm plenary session. But before all this happened, the proposals were examined by two bodies, the Politburo of the party and the Conference of the Polish Episcopate, which received the fruit of many years of preparatory work favorably. In this way, the difficult, precise legislative efforts, begun jointly in 1981 by specialists on the subject from both sides (the churches and the state), appear to be approaching their end.

The great legislative finale (which it is no exaggeration to say it must be called) will end many disagreements and conflicts of the recent past and today; it attempts to make up for historical wrongs; it puts in order one of the key areas of the law; it builds a clear system, which so far has been lacking; and there is no hyperbole in the statement in the proposed law on relations between the state and the Catholic Church in the People's Republic of Poland that it is dictated "by the need for cooperation among all citizens for the development of the country, for the security of the Polish people and the Polish state." This thick packet of legal documents includes 155 articles, which should not surprise us since there is much to write about. The churches and the religious unions are not only the faithful and the clergy (who are also citizens of the state), but also church charities, educational institutions, and universities; there is also church property (including valuable monuments of the national culture), construction sites, farms, cemeteries, and finally their own administrative and legal structures. Further, there are such areas as the religious press, and now even planned church radio and television stations, film production companies, and theaters. Recent social events also imposed the need to include such legal regulations as: "No one can be discriminated against or privileged on account of his religion or convictions about religious matters" or "Citizens can associate in lay organizations in order to realize goals deriving from their religion or convictions about religious matters."

Liquidating Areas of Conflict

In 1945, after 20 years, the Concordat with the Apostolic See composed of 27 extensive articles lost its validity. From that time, the legal existence of the most powerful church in Poland in terms of numbers, traditions and

influence was regulated by fragments of various laws (for example, the law on state expropriation of abandoned property from 1950, the law on the organization and filling of church positions of 1956), these laws were full of vague points and were far from taking into account the position and role of the Catholic Church and the whole of the issues associated with it, and were full of provisions that frequently and gladly reached for extralegal means.

A. Merker, the director general in the Office for Religious Affairs, today writes: "Its (i.e., the Church's) unregulated legal status is curious when it is compared, for example, with the many centuries of the tradition of the Karaite religious community which consists of 150 to 200 individuals but has a regulated legal situation."

Legal science long ago noted this absurdity, and from time to time among the specialists, fascinating legal discussions broke out, but they were impossibly boring for the general public (for example, whether in Poland and to what degree, canon law, established by Church authorities, was binding; whether the Church is a legal person in the sense of any association of cactus breeders or whether it is also a special "legal-public person").

The rank-and-file believers or atheistic citizens are, however, interested in one thing: will the law contribute to conflicts between church and state, or will it, on the contrary, quiet them? Believers and atheists want to remove the conflicts from the public stage. Does the law respect the fact that in Poland 90 percent of the people are Catholics, that their Church manfully accompanied the people through the country's most difficult centuries, and that its primate since the 16th century has ranked immediately behind the leader of the state?

It must be said that the three proposed laws do everything to meet expectations, but remember that there are 40 other religions (including orthodox, Lutheran, and Calvinist Churches and Muslim and Jewish communities with several centuries of tradition), that there is a living tradition of toleration here, and finally that the international agreements on human rights ratified by Poland support equal legal rights, including religious ones, for all.

Here are a few examples of the determined eradication of the sources of dissatisfaction and even shocking discord. Article 2 of the law on relations between the state and the Catholic Church says: "The church governs itself with respect to its own matters according to its own laws; it freely executes spiritual and jurisdictional authority, and administers its own affairs." An example of the development of this principle is the recognition that the agreement of the state officials is no longer required for the formation of church brotherhoods, societies, and associations. "The state recognizes the right of the Church to teach religion and the right to a religious upbringing for children and young people in accord with a choice made

by the parents." "Obligatory classes in school and religious instruction cannot collide with one another." "At summer camps, children and young people are assured the right to practice their religion and, in particular, to participate in holy mass on Sunday and holy days." "Religious emblems are not to be placed, nor religious services to be organized, in the offices of state institutions." These are a few citations from the laws devoted to the right to religious upbringing but retaining secular schools.

The memory of hospitals run for many years by nuns (for example, the nuns of the Order of St. Elizabeth or the brothers of the Order of St. John of God) is still alive, as is the memory of their expropriation (40 treatment centers) during a period that we are still evaluating politically and morally. Thus, legislative permission for churches to operate such hospitals, pharmacies, and clinics, and not just homes for the elderly and handicapped children, the resignation from a state monopoly in this area, is a decision opening new prospects for medical treatment and for the humanitarian mission of churches. Churches other than the Catholic Church have notable accomplishments in this field, for example, the Seventh-Day Adventist Church, which has done much to treat victims of drug addiction.

The law also includes an unprecedented step: the possibility of returning the hospitals that once belonged to the Catholic Church "if it desires to operate them" or the equivalent for the church property taken over at that time. The preamble of the decision comments: "The total value of the exchangeable real estate or the monetary damages is several billion zloty."

Wrongs Divide

Here we come to those legislative clauses that recognize the material damages inflicted on the church and express the desire to make reparations for them as far as possible. For two years a special arbitration commission composed of representatives of the state and church will examine cases of unjustified confiscation of church property presented to it and decide whether to return it or on some other form of damages. The preamble of the law reveals some legal practices (or more properly illegal) and says: "There were cases of actual state expropriation of real estate without legal foundations." These confiscations were then legalized using *ex post facto* laws. This is an embarrassing page in the history of law in Poland, especially since the legalizing provisions bear the date of 1985, hence years after Stalinist times.

Clarity on tax questions which in the past aroused such scandalous and dangerous events (for example, the taking over of property of religious orders or parishes for high taxes, preceded by nocturnal warning visits to the clergy by the executors, the active opposition of the faithful directed against these executors), and also the

recognition that the church can now accept gifts and bequests without the agreement of state officials or purchase or sell real estate without fearing that the state will want to use its right of first purchase, are also proof of the end of small-mindedness. These are not, obviously, all of the innovations, but they suffice to indicate the prevailing trends in the proposals.

Remembering the Weak

Minister W. Loranc in an interview for RZECZPOLITA (7 April 1989) said that legalization of the religious community of Jehovah's Witnesses is a question of several months, but "the problems preventing its legalization until now have practically been resolved." This is an important announcement, since for many years the fourth largest religious community in Poland has been unable to reach agreement with the authorities. POLITYKA has come forward several times in defense of the Jehovah's Witnesses, emphasizing the integrity and high ethics of the work done by these believers.

The new laws also improve the position, self-respect, and prestige of the churches and religious unions which are religious minorities in a fairly homogeneous society in terms of religion.

For example, something apparently trivial but in fact essential. Sunday and other days free from work (for example, New Year, Christmas) are not holy days for all religions. Muslims, for example, recognize Fridays, and for the Orthodox, the church new year begins much later. Thus, the construction of legal foundations for leave from work on such days is an important change for such religious minorities, as is the recognition that only the law (and not, as has been the case until now in some cases, an administrative decision) regulates their legal existence. The participation of representatives of the Polish Ecumenical Council (which affiliates communities of seven Christian churches) in the preparation of the proposed law on the guarantee of freedom of conscience and religion made it possible to better discern what it was necessary to change here.

In an interview for POLITYKA (No 52/1988), Giovanni Barberini, a scholar on this subject and director of the Institute of Public Law at the university in Perugia, expressed the conviction that overly detailed codification of the mutual rights and duties of the state and church would lead to numerous disputes about interpretation and other conflicts. This is an interesting opinion, but the legal situation contradicts him, i.e., a gap in the legislation is more dangerous. It is certain, however, that the law works better when the political and social surroundings are favorable. Modern history, including Polish history, shows that the same law changes into its opposite when, for example, democratic authorities replace totalitarian ones. All laws, even the best ones, are always imperfect.

GERMAN DEMOCRATIC REPUBLIC

People's Navy Strength, Missions Assessed
23000162 Bonn TRUPPENPRAXIS in German
No 2, Mar/Apr 89 pp 226-231

[Article by Siegfried Breyer: "The GDR People's Navy"]

[Text] Of all the navies integrated into the Warsaw Pact that of the GDR appears to be held in the highest regard by the Soviet military or naval leadership. This may be attributed above all to its high level of training within the "brotherhood in arms" and certainly also to its ideological anchoring and its dependence on the "big brother."

Just how great the esteem in which the Soviet Union holds the People's Navy is evident from the fact that, among other things, it quite obviously has priority in being provided with modern classes of ships and shipborne or naval weapon systems. This means that the otherwise existing differences in equipment and armament quality between the Soviet military power on the one hand and the armed forces of the alliance partners on the other is significantly reduced.

Manpower

At present, the People's Navy is given a manpower strength of about 16,000 men, among them 1,800 officers. These 16,000 personnel are said to be distributed as follows:

Some 4,700 as crews on floating units; 1,000 with the naval aviation units; 4,100 with coastal security (GBK) [Coastal Border Brigade] and coastal defense; 2,000 in basic training and in schools and courses; 4,200 in land-based support units.

Beyond that, it is estimated that there are about 25,000 reservists. For those undergoing basic training the period of service is 18 months; those who belong to the People's Navy are largely employed with the land commands. Noncareer military personnel have a 3-year service obligation; they are primarily the crews of the floating units. For noncommissioned officers a distinction is made between those who are noncareer (4 years of service) and regular NCO's (minimum service 10 years). The warrant officer track was introduced in 1973 as an intermediate career, in a form similar to that of the Soviet Armed Forces. With the warrant officers a new category of military cadre has been established; structurally, it grows out of the NCO corps and is connected directly to the officer's corps, thus forming the long-term basis for military specialists on the lower command level. Noncareer officers have also been provided for the officers' track, but their number is small. The majority consists of professional officers, whose minimum service is set at 25 years. All officers must graduate from the Karl Liebknecht Officers School in Stralsund, which since 1960

has the status of an institution of higher education. The school trains three "profiles": naval officer, naval engineering officer and, since 1983, political officer.

Organization

At the top of the GDR People's Navy is the People's Navy headquarters in Rostock-Gehlsdorf with the head of the People's Navy. Subordinated to the headquarters are the naval forces which are divided into several flotillas, the border security units, naval aviation, land units, schools and other installations and institutions. The People's Navy is a part of the United Baltic Fleets and is thus subordinate to the Soviet-headed and manned command of the Warsaw Pact fleets in Leningrad or Baltiysk (Pillau). High Soviet naval officers headed by an admiral serve at the People's Navy command and are responsible for the link with the commands in Leningrad and Baltiysk.

The People's Navy itself is an advanced strike force within the Warsaw Pact. All the top posts of this pact are occupied by high Soviet officers, as is well known. What remains for the People's Navy command is, therefore, purely troop duty and administrative tasks.

At present the following are subordinate to his command:

- the 1st Flotilla with one landing ship, antisubmarine, minesweeping and mine-clearing ship as well as one auxiliary ship division each;
- the 4th Flotilla with one coastal protection ship, antisubmarine, minesweeping and clearing ship as well as one auxiliary ship division each;
- the 6th Flotilla with one fast missile patrol boat and fast torpedo boat division each, two light fast torpedo boat brigades and one auxiliary ship division;
- the Coastal Border Brigade (GBK) with three border ship divisions, eight to nine boat groups and five coastal monitoring battalions;
- the Kurt Barthel Naval Helicopter Squadron with about 21 helicopters;
- a navy diving company;
- a naval engineer battalion;
- five coastal artillery regiments with two battalions;
- the Maritime Hydrographic Service (SHD);
- the Karl Liebknecht Officers School;
- the Naval Manning Division;
- the testing center as well as additional installations of minor importance here.

Bases and Garrisons

The naval forces and naval aviation forces have their bases at Peenemuende (1st Flotilla), Rostock (4th Flotilla, GKB), Dranske on the Bug/Ruegen Peninsula (6th Flotilla), and Parow (naval aviation). Darsser Ort, Greifswald-Wieck, Ueckermuende, Wismar, Kuehlungsborn, and Sassnitz are often used as anchorages.

Garrisons are maintained at Rostock (People's Navy headquarters, GBK, the Naval Manning Division, central hospital, SHD, staff music corps, among others); Stralsund (Karl Liebknecht officers school, the Naval Manning Division, central hospital, naval engineer battalion); Kuehlungsborn (navy diving company); Tarnewitz (?) (coastal missile regiment); and Wolgast (testing center).

Coastal Border Brigade

The Fiete Schulze GBK—it has had this name since 1985—has been subordinated to the People's Navy Command since 1961 and is thus a regular component of the People's Navy. Its crew and NCO-rank members differ from the other members of the Navy by their cap bands, among other things, (the text says Coastal Border Brigade instead of People's Navy). The GBK is divided into floating and land-supported units. Among the floating units are 18 former minesweepers and mine-clearing ships and modern border craft of the KONDOR-I class, 15 border craft of the BREMSE class and seven border patrol craft of type SAS cutter, as well as a number of border check boats, a total of about 65 units.

The GBK's task is continuously to safeguard the GDR sea frontiers. In order to do so it employs a variety of border guard elements. Among them are, in addition to the floating units already mentioned, a chain of radar control stations, searchlight troops, patrol walkers and so-called border helpers. The latter are non-GBK members who do voluntary support work. In the 12-nautical-mile zone claimed by the GDR as territorial waters the border ships usually lie at anchor in fixed positions; lively observation activity is undertaken from them. In so doing one keeps an eye out for "border violators" and "saboteurs" (usually it is only a matter of recreational boaters and sailboat pilots who have gone off course) as well as for "refugees from the republic." GBK boats lie ready in front of GDR harbors as floating border crossing stations; all ships and boats entering GDR waters must head for them and await further instructions. Finally, the GBK also maintains a presence at the somewhat more than 90-kilometer-long section of the Elbe between the GDR and the FRG, as well as in the waters around Berlin. It keeps a number of boat groups of various types there. In contrast to the members of the GBK units stationed in the coastal area, its members belong only professionally to the People's Navy, but their military service is subordinate to the Border Troops, which do their service at the inter-German border.

Naval Aviation Forces

The airborne component of the People's Navy consists of eight Mi-14's (HAZE-A) to search out and attack submarines, as well as 16 Mi-8's (HIP), which are available partly in a combat helicopter configuration, partly in a SAR [search and rescue] role. Whether the Naval Helicopter Squadron meanwhile has become a Naval Aviation Squadron, cannot be unequivocally determined at

this time. However, there appear to have been some activities in this direction for some time. In this connection reference is made to the 1988 edition of "Jane's Fighting Ships;" it reports the addition of a unnamed number of Su-17 (FITTER) fighter bombers stationed at the airport at Laage (south of Rostock), which was not taken into operation until 1986. Until now, the tasks were/are being entrusted to naval aviators of the Heinrich Rau Fighter Squadron equipped with MIG-23 (FLOGGER) at Peenemuende.

Coastal Defense

The military defense of the 338-kilometer-long GDR Baltic coast falls to land units of the Navy itself. This involves the coastal missile regiment (probably with two battalions) and five coastal artillery divisions. These are without exception mobile units, which can change their positions rapidly and allow for massed concentrations.

The coastal missile regiment, until now equipped with SOPKA coastal missiles (NATO code name SAMLET), was reequipped during the first half of the 1980's with an improved weapon system. It now appears to have 18 coastal missiles of a model which has been given the system name SSC-3 by NATO, and is probably based on the proven SS-N-2B or SS-N-2C ship-to-ship missile weapon system. The range is said to be about 80 km. The five coastal artillery divisions seem to have available a total of more than 30 152-mm cannon, probably of the D-20 model, whose maximum firing range is given as 18,000 meters. In addition to these units designated for sea defense, there are others for object protection, such as flak batteries at the flotilla bases.

Marine Infantry/Marine Landing Troops

Until now the People's Navy did not have a marine landing troop or marine infantry of its own, although it has maintained an adequate supply of landing craft since the early 1960's. During the frequent amphibious exercises and maneuvers the People's Navy works closely with the Army, which for this purpose detaches the two motorized rifle regiments 28 (Wilhelm Florin) and 29 (Ernst Moritz Arndt) stationed at Rostock and Prora on Ruegen, respectively. These two units belong to the 8th Motorized Rifle Division, which has its main base at Schwerin. Among the equipment of the two regiments is the BTR-60PB amphibious 8-wheel armored combat vehicle. In Motorized Rifle Regiment 29, in particular, a highly capable amphibious unit appears to have developed.

Other Units

The Kuehlungsborn Baltic resort is regarded as the location of a Navy diving company. It appears to be some sort of elite unit. Entry is said to take place according to a particularly strict selection method.

The marine engineer battalion stationed at Sassnitz is equipped for a variety of tasks. It has to provide support above all for the marine landing troops.

Maritime Hydrographic Service (SHD)

It is the duty of the Maritime Hydrographic Service to assure nautical safety at sea and in the sea lanes, as far as these are located within the territorial waters of the GDR. It fulfills this task on the one hand by continuous measurement, description, buoyage, and maintenance of the sea markers, and on the other hand through a regularly appearing information service in the form of nautical reports for mariners and radio traffic with participants in the maritime traffic in the coastal area. The SHD has to look after 2,300 floating sea markers (250 of them lighted) and 200 fixed ones, all of them with automatically operated lights. In order to maintain the sea markers four buoy yards have been established, located in Wismar, Rostock-Warnemuende, Stralsund, and Karlshagen. At present the SHD has 10 buoy layers and three surveying vessels, as well as a number of boats and smaller craft.

Ships and Weapon Systems

As compared with the 1950's and 1960's and in part even with the 1970's, the present-day People's Navy represents a convincing component force of the National People's Army (NVA) as regards the ship's material it possesses. This upward trend is due not only to the Soviet delivery rates of modern ship's material and modern weapon systems, but can also be attributed to the clearly increased industrial capability. This is obviously recognized and highly valued in the Soviet Union. With respect to the interests of the Navy, primarily the Navy's own developments will be mentioned here. In this area the GDR obviously enjoys the greatest freedom of all the Warsaw Pact partners.

Of the class of oceangoing combat ships there are at present three modern frigates of the KONI class, delivered by the Soviet Union, which were taken into service in the years 1977, 1978, and 1985. It is perhaps not farfetched to anticipate a fourth unit, for not until then would a 100-percent replacement for the four RIGA-class units, delivered in the 1950's and scrapped in the late 1970's, be available. These units, described as coastal protection ships by the People's Navy, have all the weapon systems required for operation in the off-shore northern European waters. The main emphasis is on their capability to search for and attack submarines and simultaneously to be capable of making a stand against attack from the air.

The delivery of the PARCHIM-I-class antisubmarine ships, completed in 1981, has truly been a "big hit," in the truest sense of the expression: 16 units have been built of this class, in Western opinion more to be rated as a corvette type; all of them are now in service, and the

series is said to be complete. After the complete scrapping of the HAI class, this class represents the second generation of domestically built antisubmarine ships and seems to have proved successful.

The People's Navy has experienced another considerable upgrading by being supplied, beginning in 1984, with modern missile corvettes of Soviet production. So far it has received five so-called missile ships of the TARANTUL-I class, perhaps developed and built exclusively for export, just as many as the Polish and Indian Navies, who will also be provided with them, put together. To be sure, it appears as if these new ships are to replace the OSA-I-class fast missile boats from the 1960's, but 12 of the original 15 boats are still in service; one even gets the impression that these or some of them will be kept on as long as their material condition allows. This impression is reinforced by the fact that individual boats have recently been equipped with electronic warfare means (chaff dispensers). In this light, the strike forces of the People's Navy—including, besides the coastal protection ships, primarily the fast missile and torpedo boats—have at least experienced a temporary upgrading. It can certainly be anticipated that additional TARANTUL-I units will follow and that an adequate supply of missile corvettes will be present after the last OSA-I has been scrapped, since the TARANTUL-I has the advantages of greater platform stability, increased seaworthiness, and greater defensive capability.

Compared to the classes of surface combat ships equipped with ship-to-ship missile weapon systems, the surface torpedo carriers are increasingly losing their significance, as everywhere. True, the 12 fast torpedo craft of the SHERSHEN class delivered by the Soviet Union in the early 1960's are still there, but the fleet of small, fast torpedo boats of the LIBELLE class has greatly shrunk, perhaps by half. Of the original 31 boats, 15 have been scrapped since 1984. At the moment, nothing indicates that there will once again be such a class; according to its present level of armament the People's Navy of today is much more in the position of countering attackers at a distinctly greater range from its own territory than was previously the case. Hence, the small, fast torpedo boat class is likely to have become obsolete. But this type of boat construction, demonstrated by the LIBELLE class, can also be employed as fast minelayers and fast transport boats, for example, for special commandos, frogmen, and similar. In such a mode of operation they are likely to continue to play a role in close-in coastal approaches. However, at the moment there are no indications that a new class—that would be the third generation—is in the planning.

The mine countermeasure forces have 30 so-called long minesweeping and mine-clearing ships, which are known as the KONDOR-II class; the adjective *long* distinguishes them from the *short* minesweeping and mine-clearing ships of the KONDOR-I class (whose units have been in operation for years as border ships with the GBK) by the different length of the ship of the classes

built from identical designs. The KONDOR-II class is equipped with mechanical and acoustic equipment and an influence sweeping system. Since the early 1980's there appear to have been tests of a mine-hunting system on individual boats. This is indicated by the changes that have taken place on the working deck (construction of a deckhouse, altered winch facilities and installation of a swiveling boom for equipment over the stern). The oldest units of the KONDOR-II class now already have a service period of about 15 years behind them, so that it is entirely possible to anticipate a successor type. Under the given circumstances a minehunting ship appears to be likely.

The amphibious components have had special importance for a long time. The FROSCHE-I class appeared in the 1970's as a second-generation intermediate-size landing craft and with 12 units is now complete. According to the spectrum of their equipment and armament these are specific combat landing ships, meaning that they are capable of landing the embarked troops and their equipment and of supporting them in bursts of fire with their launcher batteries and tube weapons. Each of these ships can take alternately 10 to 12 armored personnel carriers or armored reconnaissance vehicles, or a reinforced company, or 600 tons of other cargo on board. The class is likely to remain in service until the end of this century.

The logistical component was extraordinarily neglected until the 1970's. The fleet available until then was composed mainly of ships of civilian construction, which had only limited operational capability and small cargo capacity. When two special ships were taken into service in the early 1980's the elimination of this defect was initiated. These so-called combat suppliers are described by NATO as the FROSCHE-II class. They can accommodate 500 tons of solid goods; this may consist of rolling cargo (containers) or of solid goods on pallets or in mesh boxes. For supply at sea they have a heavy-duty deck crane. This type of supply naturally cannot be undertaken at speed, but both ships must stop and tie up alongside.

Since 1983 six oceangoing combat supply vessels of the DARSS class have been added, so that today a modern, appropriately capable supply fleet is available. These units are evidently designed on the basis of the lines and parameters of modern freighters and are capable of taking up to 650 tons of solid goods and 200 tons POL [petroleum, oil, lubricants] cargo on board. The transfer facilities and practices roughly correspond with those of the FROSCHE class; POL replenishment can be done while under way through the stern, whereby the resupply ship tows the ship to be supplied.

Also of more recent date are the—until now six—so-called floating bases with their own engines. NATO calls them the OHRE class. These are combined barracks and depot ships with 2,400 ton displacement, which are equipped to have accommodations for combat boat

crews as well as to offer running supplies (provisions, fresh water, fuels, ammunition, spare parts, etc.) and possibly to undertake minor repairs and maintenance work. In contrast to their predecessors—they were barracks ships without their own power plant—they are able to follow the flotilla under their own power, according to the assigned operational areas.

The obsolete HYDROGRAPH intelligence ship, in service since 1958 and, at least temporarily, assigned to the SHD, has also been replaced. Its place has been taken by the JASMUND, which was built according to a design deriving from the DARSS class. It shows an apparently redundant amount of electronic equipment; the main component is the large radar dome constructed astern.

Particularly to be mentioned among the other auxiliary ships are the surveying ships BUK and DORNBUSCH, the salvage ship OTTO VON GUERICKE and the training ship WILHELM PIECK; all of them were built in Poland and can be regarded as modern. A total of 73 auxiliary ships and vessels are known. Together with the 132 combat units and 39 oceangoing vessels of the GBK, the People's Navy achieves a fleet of 244 floating units.

Openmindedness

The People's Navy benefits from the fact that it receives its supply of ships from its own production facility—unless the Soviet Union is the supplier. This facility is the Peene shipyard in Wolgast founded in 1948, which in addition to the units destined for the People's Navy also builds—perhaps to utilize its capacity—certain special ships, such as bucket dredges. It has modern production facilities and is held to be quite efficient. So far it has built 16 submarine-hunting corvettes, 14 antisubmarine ships, nearly 50 minesweepers and mine-clearing ships, more than 60 light or small fast torpedo boats, 13 guard boats, 18 landing craft, 12 landing ships, five supply ships, two intelligence ships, one surveying vessel, one training ship, two multipurpose auxiliary ships, one buoy tender, 10 buoy-layers, one cable-laying ship, one yacht, six floating bases and 10 barracks ships, a total of more than 220 units in about 40 years. However: The GDR today still depends on the delivery of Soviet weapon systems, electronics and sensors, because there is no domestic production enterprises for them.

It is possible that in the socialist camp—namely the Soviet Union—the Peene shipyard enjoys the reputation of a quality shipbuilding plant. This could be due to a special ship program developed for the Soviet Union (bucket dredges), which may have turned out to the satisfaction of the clients. No matter what the reason for it, the Peene shipyard has recently been called on by the Soviet Navy as well. This is indicated by the submarine-hunting corvettes of the PARCHIM-II class, a further development of the PARCHIM-I class in service with

the People's Navy. Two units have already been delivered, three are under construction and additional ones are anticipated. This class once again demonstrates the already mentioned quality differential:

The PARCHIM-II can do its duty with considerably more modern combat systems. Whether this corvette contract represents the beginning of a continuing cooperation by the GDR shipbuilding industry in Soviet naval equipment, cannot yet be seen today. Bringing in a second Warsaw Pact nation after Poland ought to give the Soviet Union indisputable advantages: First, it is able to determine construction costs and construction schedules anyway, second the burden on its own shipyards is eased. It can be regarded as certain that the capacity thus saved benefits the construction of large combatants.

Until the end of the 1970's the People's Navy experienced a dilemma regarding its technological know-how: Modern marine technology was unknown to it; it had to undertake its tasks with ship's material that was already obsolete during new construction. This has changed considerably since then. With the addition of modern Soviet classes of ships, the shipyard has been the subject of a wave of innovations, which could only be carried out with the utmost effort. Until that point in time the People's Navy still had no experience in:

- combined gas turbine/motor propulsion systems (CODAG) and all-gas turbine plants (COGOG);
- ship-to-air missile weapon systems;
- submarine-hunting torpedoes;
- submersible sonar systems;
- modern tube weapon construction;
- means of electronic warfare;
- special submarine-hunting helicopters.

The training of the military personnel entrusted with these systems took place (and may still take place today) in the Soviet Union under Soviet instructors.

Evaluation

Technologically, the People's Navy has reached a standard which allows it to occupy a priority position among the Warsaw Pact nations. It is apparently still working persistently to expand the range of its technological level, for example in the direction of mine-hunting systems. Moreover, it participates in an involved manner in the standardization of ship's material. In this field it can already show considerable success, such as is demonstrated by the PARCHIM-I/PARCHIM-II, FROSCH-I/FROSCH-II, and DARSS/JASMUND classes. Out of the insufficiently armed coastal navy of the first 3 decades, a modern, powerful, sea-bordering navy was created in the 4th decade of its existence, a navy which possesses a solid base in every respect, commensurate rear services and efficient training sites.

Recent Developments in People's Army Cited *23000169 Bonn WT WEHR TECHNIK in German No 5, May 89 p 52*

[Unattributed report: "National People's Army"]

[Text]

NVA Radar Equipment: "Fan Song" Target Tracking and Fire-Control Radar

The Soviet-produced radar with the NATO designation Fan Song is being used by NVA [National People's Army] anti-aircraft missile regiments of the air force/air defense command which are equipped with the SA-2 Guideline anti-aircraft guided missile system. This system is capable of engaging medium and high altitude air targets ranging from 300 meters to 27,000 meters. It is augmented by the SA-3 GOA guided missile system which is capable of engaging air targets starting at an altitude of only 50 meters.

Fan Song is a combination target tracking and fire control radar. The basic version, designated by NATO as Fan Song A, was introduced as early as 1959. Since that time, however, the equipment has been modified several times. The present Fan Song E version has two rectangular target tracking antennas and three circular parabolic antennas for fire control purposes, i.e., for simultaneous control of up to three Guideline guided missiles on three different targets.

The Fan Song is mounted on a twin-axle trailer and can be deployed following a series of dismantling operations.

One Fan Song radar each is used to serve the six Guideline launch pads which normally make up an SA-2 firing position. It operates in conjunction with the P-12/Spoon Rest early warning and target acquisition radar and the Odd Pair altitude finder.

Ready-Alert System

At times, it seems, even the NVA is not entirely sure of the meaning of literally translated Russian concepts which it has taken over. Often enough, NVA publications have carried queries about the meaning of the DHS or ready-alert system. Let us cite one response verbatim which was published by MILITAER-PRESSE-DIENST [Military Press Service].

"DHS, which stands for Diensthabendes System, is viewed as a reliable tool to keep the skies over the GDR and the socialist community of states clear. Certain units of the air force/air defense command and the anti-aircraft forces of other branches of service are placed in a state of heightened readiness so as to be able to repel a surprise attack as quickly and efficiently as possible in conjunction with our Soviet, Czechoslovak, and Polish comrades in arms. To accomplish this, we have modern interceptor aircraft; launch pads of the anti-aircraft missile forces

which are equipped with target-accurate anti-aircraft missiles and radar facilities which reconnoiter missiles at all altitudes. This type of information is constantly collected and analyzed by our command echelons."

Every DHS shift calls for a high level of political responsibility and superior military skills...considering the fact that a modern aircraft can cover about 50 km per minute." WT editor's note: this would add up to 3,000 km per hour; 25-30 km per minute would be more like it."

R-412 A Troposcatter Radio Station

Like the Soviet Army and the non-Soviet Warsaw Pact armies, the NVA uses the Soviet R-412 A Troposcatter directional transmission system from the divisional level on up.

This transmission system is housed inside a covered version of the Ural-375 truck and is used for the transmission of multichannel communications. Its most prominent feature are two large, almost circular, lattice-type transmission and receiving antennas which are collapsed on the roof of the truck during transport. The NATO designation for the two slightly arched antennas, which are about two meters in diameter, is Twin Ear. They can be rotated 360 degrees horizontally and can also be rotated vertically to some extent.

IKF 1 Driving School Simulator

According to the bimonthly MILITAERTECHNIK, the IKF 1 is used to provide elementary and advanced training for drivers of the BMP armored personnel carrier. For the time being, however, it is apparently being used in the main to train officers because the evaluations of training results refer to "officer trainees" exclusively.

The simulator is an exact copy of the BMP cab both with regard to the position of all controls and the limited space.

The students learn how to start and turn off the engine; to drive off and shift gears. They "drive" straight ahead and back up; they learn how to negotiate turns and overcome obstacles, keeping their eyes on the controls at all times. The simulated driving experience as such is achieved with the help of shadow and film projections; actual engine noise and horizontal vibration inside the cab.

Film projections are used to simulate driving in terrain and overcoming obstacles. A film taken by a camera mounted on an armored personnel carrier driving through terrain is projected onto a screen with the appropriate hydraulic control signals. The film speed

which is variably controllable from five to 25 frames per second can be set by the student driver himself. This corresponds to a driving speed of just over 30 km per hour.

The simulator is also equipped to indicate malfunctions, e.g., a drop in the pressure of the lubricant, and to vary the coolant or motor oil temperature or to indicate breakdowns in the fuel line or the electrical system.

According to MILITAERTECHNIK, the officer trainees who receive basic instruction in armor technology prior to taking the driving course are able to start up, shift gears, steer, brake and stop after completing three or four 45-minute driving lessons. They are able to keep an eye on the controls; they have overcome their initial trepidation and have gotten used to the semi-darkness inside the simulator and to the horizontal vibration inside the cab. In general, the simulator has been getting "very good marks."

NVA and Border Troops Traffic Accidents

The following figures on culpable traffic accidents made public here for the first time as far as we know refer to the 3rd Central Traffic Safety Conference of the NVA and the Border Troops of the GDR. We are drawing upon the figures from the second such conference held in 1984 for comparison. Accordingly, the total number of culpable traffic accidents has dropped about 30 percent since 1984. The ratio between kilometers driven per number of accidents rose from 1 million kilometers to 1.66 million kilometers. For the Border Troops, the figure stands at 3 million kilometers; for the ground forces, it stands at 1.8 million kilometers. The principal causes of accidents were:

- Exceeding speed limits or driving at inappropriate speed—50 percent.
- Failure to yield right of way—12.3 percent.
- Violation of traffic regulations in passing, turning, or getting into proper lane—11.8 percent.
- Failure to maintain proper distance—10.8 percent.

For that matter, military drivers are liable for any damage caused in an accident up to their monthly salary, i.e., their commanding officers can order them to make restitution—which they do. One report, for example, tells that a soldier who backed into a civilian vehicle causing 350 marks worth of damage was ordered to pay 80 marks. In theory, the soldier's commanding officer could have docked the man his full corporal's pay of 180 marks per month, but let him off by citing his "good military record."

POLAND

Jablonski Interviewed on Defense Cuts

AU0106092989 Warsaw TRYBUNA LUDU in Polish
26 May 89 p 4

[Interview with Henryk Jablonski, chairman of the Sejm National Defense Commission, by Zygmunt Slomkowski: "How We Are Reducing Our Military Budget and Armed Forces"; date and place not given]

[Text] [TRYBUNA LUDU] "We know that Poland has one of the largest armies in Europe. Will there be an effort to reduce it? That is one of Solidarity's basic demands, and a condition necessary to halt inflation. In the current international situation, it seems quite justified." These statements were made during a Solidarity television election program. What is your reaction to them?

[Jablonski] They show that whoever said them had no idea of what he was talking about. I will not discuss our government's policy, which regards military reductions as a priority and has already issued the relevant proposals. Instead, I will give the hard facts. The FRG has an Army of almost 500,000 men, France has almost 450,000 men, Italy has almost 400,000, and Turkey, also a NATO member, has about 600,000. To this one has to add the American forces in Europe and the Atlantic—593,000 men. And yet on 1 January, the Polish Army numbered 347,000 men. But I will not stop at figures. Some Western Armies are professional armies, and are consequently more expensive to maintain. Our soldiers are draftees. That is a major difference.

[TRYBUNA LUDU] But even so, we might not be able to afford an Army.

[Jablonski] Changes in the international situation have permitted reductions in Armed Forces and expenditures. This year's Defense Ministry budget is about 4 percent less than last year's, and will be further reduced as a result of the present restructuring of the Armed Forces. The present budget is 11 percent less than the amount called for in the 5-Year Plan. This illustrates our reaction to European political changes.

[TRYBUNA LUDU] What do these percentages mean in terms of materials?

[Jablonski] Last year our Army was reduced by 15,000 men. In 1989 and 1990 it will be reduced by a further 40,000. Some 419 tanks, 225 transporters, 250 pieces of artillery, and 1,227 trucks have already been withdrawn. This year and next year a total of 850 tanks, 900 pieces

of artillery, 70 armored transporters, and 80 aircraft will be withdrawn because of the disbanding or numerical reduction of some units. The data has already been published.

[TRYBUNA LUDU] The same Solidarity program objected to the Army's work for civilian purposes.

[Jablonski] That is another misunderstanding. Although there are certain problems that have to be solved, for instance in mining, the work carried out by specialist Army units, such as road construction, land improvement, and bridge construction, is the cheapest application of military training. If sappers learn how to build bridges, then let them build them for the needs of the population.

[TRYBUNA LUDU] To what extent can the reduction in military expenditures help our economy?

[Jablonski] Every zloty can come in handy. However, one should consider proportions. For example, capital spending in the defense system (replacement of weapons, refurbishing of barracks, and so on) will use up Z24.7 billion out of this year's budget, though the actual figure will be lower. Anyone who knows current prices will realize what a small sum this is, and what miracles one can do with it. Let me add that about 30 percent of the potential of military production and refurbishing enterprises is used for civilian purposes, and that these enterprises belong to the Defense Ministry. By the way, 60 percent of the weapons industry is already working for the civilian sector, mainly agriculture and the food industry.

[TRYBUNA LUDU] The Solidarity program also said: "If a historian from another planet were to land on earth and examine military spending in Poland without any knowledge of the Polish situation and gain a picture of Poland solely on the basis of information in the press and from the Sejm, he would reach the conclusion that Poland has never built up armaments, but has been fighting for peace all the time. When we ask for information on defense spending, representatives of the Sejm commission merely appear in the role of Defense Ministry and Interior Ministry spokesmen. We do not wish to assume such a role. We want to know the truth." This is a serious accusation.

[Jablonski] I have no intention of expressing an opinion on the subject of allegations, especially when these allegations are the result of ignorance or deliberate manipulation. All I can say is that the Sejm National Defense Commission works openly. Any Sejm deputy can attend its meetings. Our information is not classified. However, as a body, our commission did not take part in the roundtable, and none of its members gave any information. At least, no one spoke to me.

In conclusion, let me say that the National Defense Commission has been operating according to the principle that a readiness to defend the country is a special patriotic duty, and we hope it will also operate according to this principle during the next Sejm term of office.

INTRABLOC

Growth in Polish-GDR Trade Turnover Discussed
26000503b Warsaw TRYBUNA LUDU in Polish
9 May 89 p 6

[Article by Jerzy Weber, permanent correspondent in Berlin: "Mutual Support"]

[Text] This year's trade turnovers between Poland and the GDR will probably reach the sum of 2.7 billion rubles. This shows definite progress, considering that less than 2 years ago the 2-billion ruble threshold was exceeded.

Support for Capital Spending

Undoubtedly, preferences granted to the development of mutual trade exchange and economic cooperation, areas traditionally given strong emphasis in the policy of both states, play an important role here. Nonetheless, economic factors seem to be decisive. In the first place I would list the complementarity of both economies and geographic proximity. The relative similarity between the levels of the particular fields of the economy (even if a certain distance has arisen in some branches in recent years) and the ease in making contacts has led to the development of an expanded structure of mutual ties between trade and production enterprises in both countries, a structure which has become quite permanent and fixed.

This cooperation has become an essential element of economic development, which neither side could abandon without seriously harming the implementation of current tasks and threatening its own developmental plans. Practices in place for a number of years, such as the coordination of socioeconomic plans and the work of joint commissions and issues groups for the particular fields, appear to be unspecified endeavors only from afar. In reality, they protect, to a significant degree, the vital interests of many production, agricultural, construction and transportation enterprises, as well as the market in both countries.

The second reason for the permanence of the mutual interest in the development of economic cooperation is of a strictly financial nature. For many deliveries from the GDR to Poland or from Poland to the GDR, the alternative would be merely purchases made on the open world market for hard currency. Railroad cars, printing presses and textiles from the GDR and industrial automatics, machine tools and electrical motors from Poland are a good example. Capital spending goods represent 70 percent of the value of annual turnovers.

Economic Factors—Primary

This motive for the development of cooperation will gain in significance. Like Poland, the GDR faces the urgent need to effect a thorough renewal of its productive potential. The many years of concentrating capital spending efforts in selected fields (the power industry, microelectronics and housing construction) have led to an imbalance in the development of the other economic branches. A new, broad capital spending program is indispensable; allies from abroad will have to be sought to conduct this program.

The GDR does not have Poland's problems acquiring credit from the West. Nonetheless, its payments situation demands that it be careful not to increase its debts. According to estimates, the GDR's debt in the West (without its trade with the FRG) netted \$7.2 billion over three quarters last year. The negative balance in trade with the FRG is growing systematically, and reached 4 billion FRG marks in mid-1988. Likewise, the balance in exchange with the Soviet Union is negative (approximately 5 billion rubles at the end of last year).

For the present, GDR economic policy does not allow for the possibility of involving foreign capital. Thus, the development of economic cooperation with socialist countries, with which the GDR already engages in 67 percent of its foreign trade turnovers, is likewise a priority issue for the GDR economy from the economic viewpoint. It is easy to see that over the long term, the most beneficial move is to step up exchange with those countries with which turnovers are somewhat balanced and whose products do not diverge from international standards. Poland is one such partner.

This approach to the problems of cooperation was evident in the atmosphere and in the trade talks at this year's spring Capital Spending Fair in Leipzig. The first important fact: despite fears expressed earlier, system-wide changes in the economy of certain socialist countries (the USSR, Poland and Hungary), which also affect the operation of the foreign trade of these countries, are in no way deterring the GDR partners from developing interests. Over and above all else, the most accurate truth heard is that the GDR foreign trade apparatus received strict instructions from a very high level warning that complaining of changes made by trading partners is a futile endeavor that has nothing in common with the art of pursuing trade.

The Need for Change

In the second place, most of our foreign trade agencies present at the Leipzig fair received new offers from their GDR partners for multiyear contracts. This was read by our traders as an attempt by the partners to ensure the permanence of deliveries and contracts.

In the third place, the readiness to seek closer cooperation between foreign trade agencies, and also between direct producers has grown perceptibly. The creation of the Dresden Robotron and Wroclaw Elwro trading company is the first venture here.

The talks conducted by Polish firms under the auspices of Unitra with GDR electronics enterprises are promising, as are the talks between machine industry, transportation industry and food industry firms, and between enterprises producing environmental protection equipment. It is characteristic that the presence at the fair of responsible employees from the management of Polish production enterprises was larger and more active than in the past. These were invited to Leipzig by such foreign trade agencies as Unitra, Elektrim, Metronex, Universal, Centrozap and many others.

Critical GDR needs in the field of capital spending and repairs mean that the relatively large share of Polish services of this type in mutual turnovers certainly will continue for some time. This year, the value of these services will reach nearly 400 million rubles. Over the long term, however, the sources of the increase in mutual turnovers will have to be sought elsewhere. In the bargaining talks conducted by Deputy Premier Janusz Patorski, the Polish side outlined the four greatest growth fields: electronics, textile machinery, printing equipment and the rolling stock industry. In the opinion of our experts, changing the principles of trade exchange between our countries would also serve to strengthen cooperation.

The primary thrust is to increase significantly the autonomy of the individual economic units in developing cooperation and to limit the state exchange plans to a dozen or so strategic items whose deliveries would be guaranteed by both governments. The remainder would be the domain of enterprises in both countries.

CZECHOSLOVAKIA

CSSR Looks to 1992 West European Economic Integration

24000124b Prague HOSPODARSKE NOVINY in Czech No 11, 17 Mar 89 p 3

[Article by Dr Ivan Angelis, candidate for doctorate of science, deputy director, Research Institute on Foreign Economic Relations, Prague: "Another Europe, Tougher Competition"]

[Text] A fully integrated West European market in which there will be no obstacles at national boundaries to the movement of goods, people, services, financial resources, or capital is to be created by 1992. This will have a large impact on Czechoslovak economic life. Moreover, an effective response to the creation of this West European market will be possible only through a coordinated effort by all European members of the CEMA. So far, however, national orientations have

predominated in the policies of the individual countries of this international economic organization. One thing is certain, and we must act accordingly: a West European market will mean a much different Europe and much stiffer economic competition within this new Europe.

Such reasoning is only a first approximation of what this change will mean. To develop an effective response ourselves and CEMA as a whole, we will have to analyze fully the specific steps that will be taken as the mechanism of West European economic integration further crystallizes. While many objectives and strategies for reaching them within West European integration have already been outlined, only actual implementation will provide answers to other questions. For our part we will have to reevaluate the current philosophy, which rests on the idea that all of this will involve only foreign policy, or steps affecting our foreign trade policy. Existing analyses of the situation already show that unless we pay due attention to the West European integration in formulating domestic economic policy and adjusting our economic mechanisms, we will barely be able to retain our position in the foreign economic environment.

If this culmination of integration of the West European common market comes to pass, it will represent the achievement of a goal that was on the minds of the six original members of the EEC in the Rome Agreements; that their end objective should be a fully integrated West European market in which there would be no obstacles at national borders to the movement of goods, people, financial resources, services, or capital. A number of important steps have already been taken over the years to move the EEC closer to this goal and they are functional. In the 1988-92 period a number of additional provisions are slated to be introduced in the form both of strengthening the EEC supranational mechanism (defined in the 1987 Unified Europe Act), and in the form of the implementation of some 300 specific measures. These measures are aimed at suppressing the function of national borders within the community and smoothing out differences in national economic and political mechanisms. This is expected to eliminate problems stemming from differences in taxation, fiscal, and financial systems; technical standards, health care standards, and other systems in the participating countries.

Most of these intended measures look within the economic space of the EEC, and particularly at the borders between member countries. Only a bare minimum of measures deal with the borders between the EEC and third countries. The consequences for third countries, of the formation of an integrated internal EEC market, will be mainly indirect effects brought about by changes in the internal EEC mechanism. Of less importance will be measures addressed directly at the third countries. The main impact of a unified European market will be to make EEC producers more competitive thanks to the substantial improvement in production factor mobility

within the territory of the community. This will make it possible to optimize their allocation based on purely economic (or profit) motives.

Commercial and political routines, especially autonomous, and partially contractual political arrangements at the borders between the EEC and the rest of the world as well, will probably not become more protectionist. It is even plausible to expect that certain areas (quotas, contractual, and so-called voluntary restrictions) may be liberalized. It can also be expected that development objectives will allow for entrepreneurial activity by the supranational community both within and outside the constraints of the EEC.

Increased Competitiveness

Difficulties in penetrating the EEC market will, to a greater extent than currently, be the result of increased competitiveness of EEC national manufacturers and their growing ability to satisfy all levels of the common market and, to a lesser degree than currently, from the consequences of commercial and political regulations. This will generally mean that the only way to counter this development will be for third country manufacturers to become more competitive themselves.

One of the specific changes that can be expected to occur in a fully integrated West European market in 1992 will likely be the implementation of a truly uniform, relatively homogeneous and centralized economic policy for all 12 member countries. The current situation where, based on the Rome Agreement, a commission is authorized to allow member countries to adopt protectionist and other specific "national" measures in their commercial policies with third countries, will disappear. The situation in the operation of so-called voluntary (contractually negotiated) limits on exports by third countries to the EEC market (agreements on textiles, steel and meat) and in the use of quota restrictions will also change. It probably not change in the direction of strengthening protectionist elements in these programs, but rather in the opposite direction.

The above realities do not translate into a very improved situation for the CSSR as an exporter to the EEC. On the one hand, we have been able to operate to some extent within the broader space of individualized trade policies of specific EEC countries. On the other hand, the probable termination of contractual limitations in textiles, steel, and meat, which amounted to a quota system for third country exports to the EEC market, will lead to increased competitive pressures among the third countries competing for a share of the EEC market.

There will be a significant impact on the financial sector of the EEC, its economy and technology. There will probably be a significant lowering of the price of financial services within the community of the West European market. The consequences here for the CSSR are hard to predict because we are not as yet very active in this area.

The situation will also change, for instance, in international transport. The market share of carriers from the Common Market countries will increase, and the price of services will probably decline. Technical barriers will experience the greatest change. These will come in the areas of binding technical standards, health and phytopathological regulations. Additional homogenization of these relations will probably move them in the direction of being more precise and strict.

Differing Dependencies

When evaluating the factors noted above it should be kept in mind that the CSSR occupies only a peripheral position in terms of the EEC economy (unified West European market). In 1987 the CSSR accounted for 0.25 percent of EEC foreign trade turnover. Our involvement in invisible trade and other relations (financial, labor mobility, specific technology transfer) is even smaller.

In contrast, the EEC position in the Czechoslovak economy is almost indispensable. The EEC accounted for about 10 percent of Czechoslovak foreign trade in 1987. This share is to some degree pushed below its optimum levels by a long term, mainly spontaneous trend toward stagnation of this relationship. The technological and economic ties between the CSSR and developed capitalist countries are clearly concentrated on EEC. In terms of the export and import of goods, 60 percent of our turnover with developed, nonsocialist countries is accounted for by our trade with the 12 EEC countries. This trade is distributed unequally among them. Our key relationship is with the FRG. Here we can expect that at both the enterprise and the government (central) level interest in economic relations with the CSSR will carry some weight.

The EEC plays an important role as a source of a number of technological and other inputs that are in short supply. Any trends towards lessening our ties to the EEC would have unfavorable consequences.

The CSSR cannot consider an individual response to the creation of a unified West European market by operating according to the theory of mutual dependence either. A more effective response is perhaps within the context of the European CEMA member countries. But even here we should also keep in mind that there isn't a full equilibrium between the EEC and CEMA as a whole. The CEMA is more technologically dependent on the EEC than the EEC is on the CEMA. The potential "dependence" of the EEC on the CEMA is a market dependence, namely a dependence by EEC producers on the CEMA market as an outlet for their products. This potential is still mostly theoretical, because the scope and variety of the EEC-CEMA relationship structure is abnormally below the economic scale of the participants. As an economic partner of the EEC the CEMA is probably equivalent to the combined weights of Switzerland and Sweden, or that of Australia and New Zealand,

in terms of trade in goods. In terms of other relationships (financial ties, cooperation, joint ventures, etc.) the total weight of the CEMA is less than that of Switzerland alone.

It is a fact that there are significant differences between the European member countries of the CEMA in the specific functioning of national economic mechanisms, in national economic policies, and in the extent to which economic output has been consolidated. These differences are one of the reasons that some CEMA countries are placing great emphasis mainly on a specifically national path for the establishing of relationships with the unified West European market.

Nonsocialist European countries outside the EEC both individually and as a group (EFTA) are more or less are operating on the principle that a unified EEC market would be an economic organism of such weight that it will be essential to adapt to it. In other words, these countries are accepting the fact that the only way to retain their position in the unified EEC market will be to accept and adopt if necessary ways of doing business, legal regulations, and technical standards that will apply throughout the EEC. Some of the EFTA countries are considering joining the unified market later in the 1990's.

Among the socialist countries Hungary is taking systematic steps to prepare for further integration of the West European market. For instance, Hungary intends to adapt its domestic tax mechanism to what is usual in the EEC; beginning in 1988 it instituted a value added tax, and it is trying to structure its currency policy with a view to the ECU system of the West European system. Hungary is also the only CEMA country that is participating (at an enterprise level) in the Eureka R&D program.

On the whole, at present not much concrete can be said about defensive or adaptational steps being taken by non-EEC European economies in response to the prospect of an integrated West European market in 1992. This is especially true of foreign trade. Even the commission secretariat has stated that "foreign trade is an unopened book." It states also that "external trade policy will be liberal."

Not Barriers

The main impact of the creation of a fully integrated West European market on the Czechoslovak economy, rather than a change in the overall commercial and political climate (toward sharper protectionism), can be seen in the creation of incentives for EEC manufacturers to improve their competitiveness and their technological and economic competence by increasing the space available to them for concentrating and movement of capital, labor, and research over the territories of all 12 countries. From the perspective of the CSSR the greatest risk is not that the new community will complicate the

commercial and political conditions of third country penetration of the EEC market. Rather, one may expect that the most significant types of commercial and political limitations, namely quotas and voluntary agreements to restrict exports, will be moderated or disappear at a later date. The more difficult competitive situation in this market will place greater pressure on our potential for breaking into this market than has so far been the case.

Maintaining the relative position of the CSSR on the EEC market is a minimal objective. There are a number of important reasons for us to establish a more assertive strategy, that of improving our position within the EEC. As a trading partner for the EEC Czechoslovakia now carries less weight than some of the third world countries in the market.

A starting position for implementing a strategy of increasing the role of the CSSR as an EEC trading partner is a systematic and analytical, under no circumstances only critical, evaluation of individual measures that will be adopted by the EEC to create the unified internal market. As has already been mentioned, the mere commercial and political status quo will not do. Our primary response, without which all other economic measures are toothless, is to improve significantly the competitiveness of our exported goods and services (outputs).

We must turn around the entire goods structure of CSSR-EEC trade. The current situation, in which our exports exceed imports only in fuels, semifinished metallurgical goods, ceramic raw materials and semifinished items, products of primary crude oil refining and in nondurable consumer goods is no longer acceptable. Nor is the fact that we cannot even come close to balancing exports and imports of machine tools, specialty chemicals and services.

However, the current unsatisfactory export mix includes several groups of engineering products that nominally correspond to conceptions of what a specialized export configuration for an industrial country might look like. These include cars, agricultural machinery and tractors, electric motors, forming and metalworking tools, and printing machinery. If we overlook the fact that some of these do not generate enough revenue to be considered a robust supporter of our position as a supplier to the EEC market, it remains true that some of the most important of such products in recent years have experienced problems with their competitiveness.

Of course, even the commercial and political sphere is not outside of the game and has its own demanding requirements. It is only sensible to seek further progress in contractual relations between the CSSR and the EEC. The Agreement on Trade in Industrial Products Between the CSSR and the EEC, negotiated and signed at the end of 1988, will form a decent foundation for this.

A special operational area where our activities have so far not been very convincing, especially in terms of our domestic actions, is the area of adopting state of the art technological norms, standards, veterinary and phytopathological regulations of the highest world levels.

Another area where the current inertia must be overcome if we do not want to be pushed to a marginal position with regard to the EEC is cooperation in R&D, in services, industrial cooperation and joint ventures where, among other things, joint ventures with EEC firms in third markets are of interest.

None of the individual factors mentioned in this article is sufficient in and of itself to inject new quality into the economic and technological interaction between the CSSR and the EEC. This is not, however, a reason to reject any of them. The contrary is true, we should try all of them.

GERMAN DEMOCRATIC REPUBLIC

Figures Stress Value of Private Gardens
23000168 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 19 May 89 p 12

[Article by Peter Jochen Winters: "Why the Party Courts Small Gardeners"]

[Text] Among the lesser known "mass organizations" in the GDR, the "Union of Small Gardeners, Settlers, and Small Livestock Breeders" (VKSK) enjoys the growing affection of the Party and state leadership. With other associations, that union was permitted for the first time to propose candidates for communal councils to the "holders of power," in this year's communal elections. The goodwill shown by the Party and state leadership to the Union of Small Gardeners, Settlers, and Small Livestock Breeders is not accidental. Its 1.52 million members produce in their spare time about one-third of the fruit and at least one-tenth of the vegetables to supply the population in the GDR. Almost all the honey made in the GDR is produced by the 36,805 avocational bee-keeping members of the Union. According to data by the GDR government's PRESSE-INFORMATIONEN, approximately all the rabbit meat which is in plentiful supply in GDR stores (about 36,700 tons last year), large quantities of poultry (last year, for example, about 8,900 tons of goose meat alone), hides and many other products in demand are sold to the trade by the small producers of the Union. "Thus individual production by the members of the VKSK, by cooperative farmers in their household economies and other small producers constitutes an enormous supplement to large-scale societal production," states the official government publication, PRESSE-INFORMATIONEN.

At present, 61,752 hectares of agricultural acreage are used by members of the Union for spare-time gardening and livestock breeding activities. They work in 11,902

small garden plots and in 404 weekend settlers' and 107 leased garden plots with a total of 848,842 small gardens. By 1990, an additional 150,000 small gardens are to be established in the GDR.

Although the Union members are also supposed to spend their leisure time in a recreational manner in their small gardens, they are not allowed to be happy there in their own fashion. Whoever has a small garden is called upon to spend his leisure time productively; he must not just serenely enjoy the growing and thriving of plants and animals, but is supposed to work for high yields in the gardens and for breeding successes with small livestock. The endeavor of all small gardeners in the GDR is to be aimed at "achieving a rich harvest from every square meter of garden land."

According to the PRESSE-INFORMATIONEN, last year the 1,814 primary purchase centers for vegetables and fruit of the Union of Small Gardeners, Settlers, and Small Livestock Breeders as well as all other purchase centers of the HO, state trade organization, consumer [cooperatives] and the Association of Mutual Farm Aid were able to buy a total of 195,910 tons of vegetables from Union members and other small producers. Of this amount, 51,600 tons were early vegetables. This year, even more early vegetables are to be produced and bought. Last year, Union members delivered approximately 265,000 tons of fruit to purchase centers and kitchens or sold it themselves on markets. That was about 65,000 tons more than "had been budgeted." How would the GDR supply its population with fruit and vegetables to at least a somewhat sufficient degree if the many small gardeners did not exist?

The first secretary of the central board of VKSK, Wegner, has now pointed out that the small gardeners, settlers and small livestock breeders of the GDR not only render an important contribution to supplying the populace, but also support the protection of nature and environment and exert themselves in the care and shaping of the landscape. He was practically gushing about the tending of natural monuments, the preservation of biotopes, and many other labors of land-related cultural value. But he also did not deny that the increasing use of gardens by small and weekend settlers for leisure-time stays also more and more brings to the fore problems of efficient water use and orderly treatment of garbage and waste water.

Wegner said that great attention is being paid to the shaping of the landscape in establishing and shaping new small garden plots. Points of attraction in the landscape, such as hiking trails and bodies of water, are being included and yet remain accessible to all citizens. "So that everyone learns to deal carefully with our frequently very delicate natural riches, the Union supplies the necessary knowledge," said Wegner to the GDR news agency ADN. It is done through special lectures and courses as well as consultation points in the small garden

colonies—which are called sections in the GDR. Teaching manuals and comprehensive information are published, and the Union's paper supplies [helpful] hints. In addition to increasing soil fertility, the transformation of wasteland into flowering gardens, and measures for irrigation and efficient water use, the Union members are dedicated to protecting birds, creating ecological space for beneficial animals, and preserving endangered species of plants and small animals. Up to now, 2,519 VKSK plots have been honored as "a state-recognized nearby recreation area," said Wegner.

The small-garden functionary proudly points to the "Kaulsdorfer Busch" colony of small gardens in East Berlin. The strip of shrubbery surrounding the colony has become a protective strip for birds and small animals. In recent times, small owls, ringdoves, lesser spotted woodpeckers and black woodpeckers, jays, and many other kinds of birds have made their homes among birch, hazelnut bush, common acacia, linden tree, elm, elder, and blackthorn. It is to be hoped that they are not driven away by the approaching new buildings of the "capital of the GDR" spreading like a cancer into areas not yet built up.

HUNGARY

Employment Policy, Capital Flow Relationship Analyzed

25000208a Budapest FIGYELO in Hungarian
13 Apr 89 p 6

[Article by Zoltan Meixner: "Werboczy's Ghost"]

[Text] I am looking at the National Labor Market Center's report concerning labor supply and demand during the fourth quarter of 1988. I am distressed by the figures because they show no change. This is so, even though I would much rather see that these figures show increasing unemployment. It is possible that I will be criticized for this statement.

At first sight, labor market developments at the end of last year suggest that the situation of the unemployed, their chances of finding jobs have improved. This is so because in a national average they may choose from 5.1 jobs. (Compare with FIGYELO No 2, 1989.) But one can hardly talk about improvement because the composition of job seekers greatly differs from employers' hiring plans both in terms of geographical area and skills. This is suggested by the fact that the number of persons unemployed for more than 3 months has increased.

There were 72,637 vacant positions. Based on vacancies reported, this figure represents 55.2 percent more available jobs than a year before. During the fourth quarter of 1988, 26,187 persons sought job placement assistance. From among these 14,163 were registered.

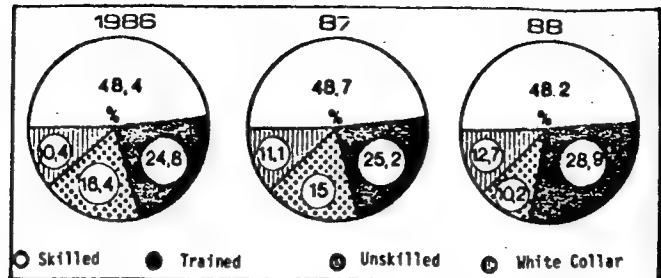
Most jobs—almost every second job—were offered to skilled workers, while only 10 percent of the jobs offered called for unskilled labor. In contrast, 68 percent of the unemployed consists of unskilled workers. Employment concerns in large regions and in certain counties have increased. In the counties of Borsod-Abaúj-Zemplén, Hajdu-Bihar, Somogy, and Szabolcs-Szatmar there are not even two jobs for each unemployed person. On top of all this, the fact that only few vacancies exist is not the only trouble. In these counties the skill level and trade structure of the labor supply greatly differs from demand for labor. In these four counties the number of jobs requiring skilled workers was five times as great as the number of skilled workers seeking jobs. At the same time there was only one job requiring unskilled labor for every three unskilled job seekers.

Of course, it would be a shame to overstate the present unemployment situation. After all, 80 percent of job seekers find new jobs within a month. One should not disregard the fact, however, that the number (1,530) and ratio of persons without a job for more than 3 months doubled during a short period of time. Of those waiting to find a job, 61 percent are men, 39 percent are women; 37.4 percent are below the age of 25, and 8.4 percent are older than 50. Soem 68 percent of those looking for a job are unskilled workers (9,540 persons), 10 percent have graduated from high school, 64 percent have a eighth grade education, and 26 percent have not completed the eighth grade. Of the unskilled workers, 56 percent are under the age of 30, but the most disadvantaged are those over 50. This group constitutes 11 percent of job seekers, and two-thirds of the unskilled labor force seeking employment. The increase in demand for labor has its basis almost exclusively in the increased need for skilled workers. While the number of skilled workers wanted increased by 7 percent, and the number of trained workers wanted increased by 2 percent, the need for unskilled labor declined by 4 percent.

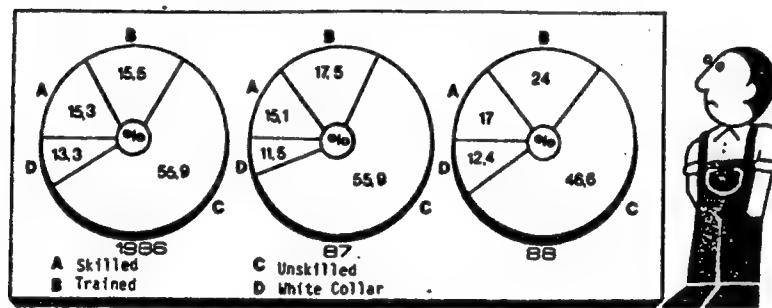
Perhaps this much is enough figures, because as compared to the earlier situation, the distribution of supply and demand within industry branches and regions has not changed that much. Nevertheless, it is worthwhile to add this much supplementary information: 43,591 persons requested assistance from employment service offices. As mentioned before, of these only 14,163 registered for assistance. This number is extremely small compared to the 750,000 job changes that are taking place.

Having said all this, I should explain why I would like to see more unemployed persons. Well, this is not a result of some simplistic economic consideration according to which unemployment gets people accustomed to work discipline and at the same time forces, motivates people to be more efficient at work. I am convinced that this is not true, moreover, I am certain that unemployment demoralizes and produces uncertainty and tension, not to mention the fact that in most instances those put out on the streets have done nothing to lose their jobs.

UNFILLED VACANT JOBS REPORTED AT THE
END OF 1986, 1987 AND 1988



QUALIFICATIONS OF REPORTED UNEMPLOYED PERSONS
AT THE END OF 1986, 1987 AND 1988

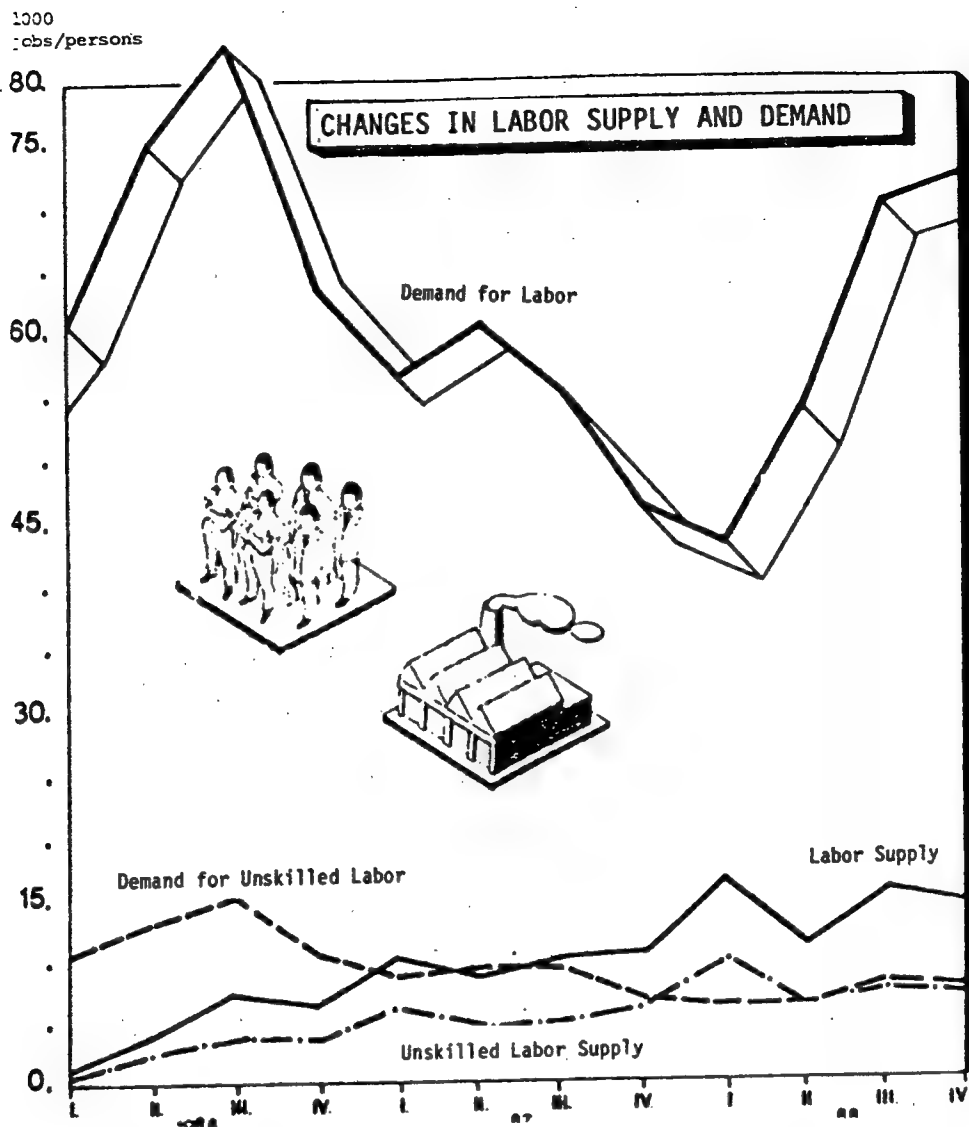


Nevertheless, increased unemployment may signal two things. First, and for God's sake I hope this is not true, considering the fact that other factors are constant, it may signal the beginning of economic collapse. Second, and this is what I hope is going on, capital mobility must begin. This must happen sooner or later. Namely, in that case, subsidies for losing enterprises and excessive redistribution will come to a halt, several loss-producing plants will be shut down, and workplaces in these plants will be done away with. The economy will not instantly absorb part, perhaps a significant part of the available workforce. Increased unemployment may result from the rational management of enterprises, or from a structural change at the macroeconomic level. One should not even attempt to give even a rough estimate of how many persons will be seeking jobs. This should not be done, because one cannot tell how the centrally supported large developmental programs which provide an opportunity to liquidate this reserve labor force will take shape. E.g., some estimate that the Vienna-Budapest World Fair will create 50,000 new jobs. At the moment, however, all this is fiction. Capital flow is just as slow as labor mobility is sluggish. This has a number of reasons. Of these I will only mention three.

The figures we discussed show that although on a nationwide scale there are five vacant jobs for every unemployed person, those jobs are not filled. They cannot be filled, because despite the fact that among the unemployed there are a number of skilled workers who could hopefully apply for those jobs, the regional structural differences between supply and demand are large. It is

well known, that unlike Americans, Hungarians cannot just pick up and accept a job at the other end of the country. The simple reason for this is that such workers are hindered by the anomalies of apartment economics. Thus, the worker is deprived even of the opportunity to put up with 1 or 2 years [of living without the family?]. Accordingly, commuting remains the alternative. But an increasingly smaller number of people can accept nowadays not only the onetime financial, but also the social burden that accompanies commuting or moving, particularly in light of the increasing role of the second economy is supporting families. Those who try may be confident that their families will break up, as well as that they will slide down on the social and income scale. Considering the increased time spent on work and declining real wages, everyone at the societal level has a good chance of experiencing this, irrespective of moving or commuting.

Workforce mobility is also hindered by the fact that in earlier days skills were taught according to the local needs of an oversubsidized economy, and this continues to be the case even today. As a result, throughout the country, except for a few counties and Budapest, there always exists an oversupply of workers having a certain trade. These workers are not concentrated only in certain places. Not to mention the fact that masses of workers appear on the labor who finished grade school but do not continue their education and are therefore unskilled, or others who graduate from high school and are also unskilled, without having an opportunity to fill the necessary jobs that are offered. Thus the training system



is certain to reproduce the social problems, poverty and even unemployment. Retraining is no solution. At most it can serve as a Band-Aid. It only alleviates the concerns of the threatened unemployed mass as a whole.

The economy does not move because it is destitute from the standpoint of capital. Money and capital would be needed to invigorate the economy, and this could also mobilize the human capital. But as long as we do not succeed in reforming our proprietary relationships and thus in making the economy more viable, we cannot count on the influx of significant capital. Viewed from another side, however, one cannot rule out that proprietary reform, of which we have seen theories only thus far, can

be accomplished by virtue of our own strength. It can force the economy to become more efficient, and this could also mobilize the human capital. Obviously, such change would be accompanied by a shorter or longer period of unemployment which, compared to today's unemployment would be very significant, but which would be absorbed slowly by the economy set in motion, nevertheless. Well, it is this kind of unemployment I would be very glad to see. Although it would be certainly the source of a number of individual tragedies, in the long term it would represent a solution for the majority. As of today, however, we are far from this point, and therefore a significant part of society passes its days "bonded to the soil." Recognizing this bondage, many feel—perhaps rightfully so—that Werbozy's ghost is among us.

Machine Industry: Feasibility of Market Switching Viewed

25000208b Budapest FIGYELO in Hungarian
13 Apr 89 pp 1, 8

[Article by Marton Peto: "Machine Industry Exports: Is There a Way Out?"]

[Text] During the past 30 or 40 years machine industry development has aimed mostly for reducing and offsetting liability created by Hungary's energy and base material imports. It did so by increasing exports payable in rubles. Is it possible for the socialist market-oriented machine industry to switch markets? A study conducted by the Economic Research Institute tried to explore this issue.

Technical backwardness was (became) a necessary companion of the natural barter of goods and the lack of market conditions in mercantile trade subject to payment in rubles. Central plan directives made both the seller and the buyer interested in fulfilling the planned export and import volumes by all means. The average age of products exported subject to payment in rubles for example is much higher than products manufactured for domestic use or for convertible currency export. The ratio of products seven years or younger in exports payable in rubles was more than one-third in 1987, while in convertible currency exports it was more than two-thirds. Almost 40 percent of the products sold for rubles was at most 12 years old, while in regard to convertible currency exports the same ratio was 20 percent. As a result of developmental policies in the late 1960's and early 1970's, the manufacture of 55 percent of transportation vehicle industry export products payable in rubles began between 1971 and 1975. The manufacture of 36-38 percent of the communications, vacuum technology and instrumentation industries for similar exports began between 1976 and 1980, and half of the products in 1980.

A significant turnaround in mercantile trade cannot be expected in the coming decade. This is even more true because the internal and external economic concerns of member countries are coupled with functional disorders and crisis phenomena. The problems of the CEMA market, and within that of the Soviet market will continue to concentrate in the future within the machine industry. Along with present, favorable changes in exchange ratios however, the exchange of goods may be expanded only moderately, or not at all, due to a lack of preparedness to deliver (materials, energy), and in the absence of domestic demand (for machinery). On the other hand, considering our present economic situation we cannot undertake a long term investment of our resources. As a result of all these factors, problems related to the utilization of capacities, operational capability and the ripple effects of employment programs stemming from the structural backwardness of the machine industry come to the forefront.

Machine industry exports payable in rubles are largely concentrated. The 27 enterprises within this branch of industry, representing approximately 3 percent of all business organizations fulfill more than 70 percent of all exports payable in rubles. Partly within this context, exports are characterized by a concentration on a group of strong products. Buses, public road vehicle undercarriages, and chassis constituted almost one-third of all 1987 exports payable in rubles, and 10 other product lines represented half of those exports.

By way of a detailed examination of the 540 products manufactured by these 27 enterprises, and which provide 70 percent of machine industry exports payable in rubles, we tried to find out how realistic it would be to divert the present exports payable in rubles to convertible currency markets.

Of the products analyzed, 30 percent are sold on all three markets. These products contribute half of the total sales revenue. Of the products manufactured for both domestic sale and exports payable in rubles 18 percent produce 28 percent of the sales revenues. One-third of the products, representing 8 percent of the sales revenues is sold only in Hungary. The ratio of sales revenues derived from products manufactured for ruble export only, or for convertible currency export only is 3 and 1 respectively. (We did not find any product exported only in these two directions.)

Some 68 percent of the products exported for rubles is sold in all three directions, while 35 percent is destined for exports payable in rubles and for domestic sale. Only 7 percent of the products is manufactured exclusively for export payable in rubles. These ratios do not differ significantly according to the various products' ruble export size categories. Independent from the volume of ruble export per product, the products representing large volume ruble exports are sold in all three directions, and to a lesser extent in both domestic commerce and for ruble exports. On this basis the assumption that a switch from the ruble market to the dollar market, meaning a conversion to capitalist exports appears as a real possibility, and is not without foundation. Nevertheless, a further, detailed examination of the product structure does not support the assumption.

The group of products manufactured for exports payable in rubles is characterized by strong concentration. The export ratio in the production of nine items (e.g., floating cranes, closed motor driven trains, cassette reloaders for nuclear power plants, personal vehicles, windshield wipers, etc.) is 80 percent.

Concentration in two directions is characteristic by products manufactured both for domestic sale and for exports payable in rubles. On the one hand, a mere 4 percent of all products representing more than 1 billion forints in exports payable in rubles constitutes 63 percent of the exports (while more than half of the products constitutes only a few percent share of the exports).

Items representing more than half a billion forints (8 percent of the products) provide three-quarters of the exports within this group of products. On the other hand we find that the higher the per product export payable in rubles, the larger the ratio of exports payable in rubles within total sales.

The Possibility of Switching Markets

Accordingly, the fact that a large part of the exports is concentrated on a few products, and that at the same time this is coupled with a strong, onesided export orientation, i.e., that a decisive (all) part of these products is sold for exports payable in rubles indicates the existence of rather strong barriers in the path of converting machine industry exports payable in rubles to another market.

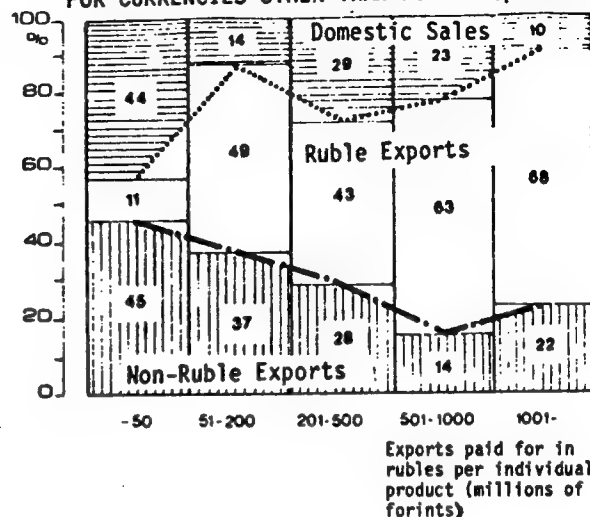
In order to assess the possibility of switching markets, we examined in more detail 15 products of 9 large exporting enterprises. These represent 47 billion forints in exports payable in rubles—more than one-third of the machine industry. Also this examination reveals that the decline in export demand payable in rubles affects mainly some specialized communication equipment and the so called traditional products having a "great past" (e.g., vessels, cranes, railroad vehicles, etc.). The bulk of specialized communications equipment is manufactured by the enterprises on the basis of Soviet documentation. Under the new circumstances primarily the export of specialized communication equipment has declined. Because of its peculiar characteristics this kind of equipment could not be sold in capitalist markets.

According to the enterprises, the export of public road vehicle industry products (buses, undercarriages, motors, chassis) can be maintained approximately at existing levels (and may be increased in some cases). Part of the bus manufacturing capacity may be converted for sale in capitalist markets only by strongly increasing the convertible currency importation of certain products (main units and carriages).

In other instances market switching requires developmental work. For example, in the enterprises' judgment, exports could be expanded perhaps through agricultural and food industry machinery and computer equipment development. Instrumentation panels for personal vehicles, command and control equipment for crude oil and gas pipelines, as well as instruments can be sold in the long term in the ruble market.

The sharpening tension in ruble exports that emerges these days is only the initial manifestation of the several, thus far veiled structural problems and deteriorating competitiveness of the machine industry. In decades past the stable CEMA "market," the export offensive and artificial prices veiled the increasing technical backwardness of our machine industry.

PAYMENTS FOR PRODUCTS SOLD IN THE DOMESTIC MARKET, EXPORTED FOR RUBLES, AND EXPORTED FOR CURRENCIES OTHER THAN RUBLES (percent)



During the past 1 or 2 decades, developed industrial nations, and in particular their machine industries reacted to global market effects by accomplishing forceful structural change. They concentrated state subsidies on the development of peak technologies and on the implementation of various developmental programs. In certain branches of industry (e.g., in electronics, computer technology, etc.) the development experienced in the 1980's was based on the technical developments of the previous decade. Essentially, Hungary's machine industry was left out of this epochal change in technology. Despite numerous industrial policy proposals, resolutions, etc., we were unable to place a special focus on machine industry product(s) and technology(ies) which could serve as foundations for an increase of our economic capacity. The state's structural policy (development, counter-development) role has not yet evolved in domestic practice, and is not yet developed. The technological gap is significant and it is expanding. According to experts our backwardness regarding machine industry products, as compared to world standards represents more than a 10 year gap. Our detachment from the rest of the world is also characterized by the fact that only about 5 percent of the products approach world standards.

In regard to some machine industry products manufactured in large series (e.g., buses) the preservation of the ruble export position is strategically necessary. This is so partly because such products cannot be sold on other markets in such volumes, and partly because discontinuation of production—considering also the resultant ripple effects—would produce severe unemployment

problems. Also the offsetting of the importation of strategic products (materials and energy resources) warrants the exportation of these products as well as the necessary developments.

During the coming years we cannot count on a fundamental reform of the CEMA mechanism, including the evolution of a pricing system which reflects market conditions. Even until such reform takes place, it would be appropriate—as a matter of forced compromise—in the interest of linking prices to transact business within the framework permitted by the law on business organizations, as independent entrepreneurial ventures (e.g., in the form of stock corporations, trading houses) both in regard to contingent and barter trade (see, for example, FIGYELO No 38 and No 39, 1988.) A further method by which problems existing between member countries could be resolved (although the reality of such resolution is still small) would be among other matters the establishment of joint ventures, the strengthening of the direct market linkage of enterprises, and not to the least, the development of a pricing and financial system which rests on mutual interest. One way of accomplishing this is, for example the already practiced method of paying the increasing part of a debt to the creditor country in freely convertible foreign exchange. One should stress, however, that this arrangement may result in Hungary in a drastic reduction of exports in all fields, because if “hard” currencies are involved our machine industry products will (may) become increasingly “soft.”

In making use of capacities squeezed out of, or “freed” from the ruble market one should consider the fact that as a result of the technical-economic system of conditions, and as compared to other industries (e.g., light industry, chemical industry), the conversion of machine industry capacities is difficult and requires investments. It is a fundamental requirement that we establish active linkage with global economic structural and technological processes, and that we strengthen our opening in world markets.

Clear-Cut Strategy

Unlike in the first phase of the people's economy vertical structure—coal mining and foundry industry—discontinuing [machine industry] production has some peculiar features. As a result of the multifaceted system of relationships needed for the manufacture of machine industry products, the effects and ripple effects of reductions in production and personnel are significant, and often cannot even be assessed. On the other hand, discontinuing certain manufacturing capacities is characterized by the fact that capital can be mobilized with relative ease. Not only materials and component parts, but also machinery and equipment can be utilized in other areas of the economy (e.g., in various entrepreneurial ventures, companies, and cooperatives).

The machine industry can be renewed only on the basis of long term foundations for an ability to export and of finding our place in the global economy. As a result of market conditions and of competition, structural adaptation is in the realm of enterprises. For this reason the primary and necessary tasks would be to expand the sphere of action enjoyed by business organizations, to remove factors which serve to hinder adaptation, and last but not least the establishment of a more effective system of constraint and motivation.

All this gains even more significance, because even in our days the general approach appears to be to settle for the idea of some “rescue action,” for placing our hopes into various relationships, or for the idea of survival which results from the lack of an environment which forces [us to do something.] The foundation of all this cannot be found only in the conditioning effects of past decades, but frequently also in the lack of entrepreneurial initiative, preparedness to renew, and ability on part of leadership.

It is hardly debatable, however, that in regard to exports payable in rubles the state must develop a clear-cut strategy and an appropriate clear conduct. Counterdevelopment may take place only gradually, because a sudden change in the enterprise sphere will (may) be accompanied by severe shocks.

POLAND

Arguments for Entry Into EEC Presented
26000458 Warsaw *POLITYKA EKSPORT IMPORT*
(Supplement) in Polish No 5, 4 Mar 89 pp 17, 19

[Article by Prof Henryk Frackiewicz, director, Institute of Basic Technical Problems, Polish Academy of Sciences, and corresponding member of the academy: “We Can't Go It Alone: We Should Think About Entering the Common Market”]

[Excerpts] Our society is not waiting for just any sort of reform but for reform which will lead Poland into the group of economically advanced countries. Is this possible? Several concepts have emerged in discussions. Some people think it would be sufficient to change our country's political system into a capitalist one for the mechanisms to be set in motion to turn Poland into an economically advanced country. There are those who say that this goal could be achieved by making the regulations more liberal and evoking Poles' ingenuity. The most powerful, however, seems to be the lobby of economists who recommend bringing the economic rules of advanced capitalist countries onto our soil. There is a view that has been especially popular recently, which sees the creation of a number of small enterprises to be the universal remedy for our economic ills. It is the existence of small enterprises in Italy that is supposedly responsible for that country's economic success.

In these discussions, though, nobody gave an answer to the following question: Can any sort of country with a potential comparable to that of Poland independently make up for cultural delays and achieve the status of an economically developed country? Frequent references to South Korea and Taiwan seem to show that many participants to the discussion consider it to be possible. I disagree.

As I wrote in *POLITYKA* (20/86), the cultural development of the various countries of the world has been very unequal. The countries which we call "advanced" have already reached the scientific era of cultural development, and for this reason they are set apart by their most rapid technical and economic progress. A second group of countries—I would put Poland in this group—is delayed in its cultural development and is still in the technical era of that development. The technological gap which separates the advanced countries is constantly widening. Finally, the third group of countries, which is clearly underdeveloped compared to the others, is still in the production era of cultural development and has practically no participation in technical progress. This situation is largely the result of differences in the level achieved and the forms of organization of social activities: scientific, technical and production activities.

Because their technical progress has been so rapid, the group of economically advanced countries is in a position to create the most modern technology and implement it in production quickly and effectively. The goods produced using this technology, on the one hand, permit a high standard of domestic consumption, and, on the other hand, make it possible to maintain a monopoly and make large profits on world markets. The countries with delayed development have worse technology and produce goods of lower quality, thereby earning world market prices close to actual costs. Developing countries can produce only the simplest goods which take a great deal of manual labor. Their level of consumption is the lowest, and on world markets they are basically the suppliers of the raw materials.

These differences in technology levels serve as justification for the following hypotheses:

Equalized trade can exist only between countries at the same level of cultural development.

Unless a country receives loans or goes in for excessive exploitation of its natural resources, it can provide its society only with that level of consumption which corresponds to the level of its cultural development, being the highest in advanced countries, lower in countries with delayed development, and the lowest in developing countries.

The advanced countries have the highest level of consumption, because of their technical and economic progress, and this high consumption level is extremely attractive. These countries have created highly processed

food products conveniently and attractively packaged; efficient, reliable household equipment and appliances, vehicles, and communications; an expanded range of services, and many other conveniences contributing to an attractive new model and lifestyle.

This is how it has been in the history of development, but this fact did not create any particular social tension, because these societies knew very little about one another. Today the situation has become quite different. Owing to the development of the mass media, especially films and television, along with direct tourist contacts, the advanced countries' standard of living has become common knowledge all over the world. Their living standard has become the model and object of desire for the societies of the countries whose cultural development has been delayed or lacking. This has produced strong social tensions.

Two Roads of the Crisis

Finding themselves continually under the pressure of their societies and fired by the ambition to "catch up with" the advanced countries, the governments of the developing countries and those countries whose development has been delayed usually select one of these two courses of action: they either use credit to import consumer goods from advanced countries, or they use credit to buy the licenses and machinery and equipment from advanced countries, in order to modernize their industry.

Neither of these ways is effective, because neither leads to a lasting rise in the standard of living. Just the opposite. It brings on a crisis caused by a continual rise in indebtedness.

The first source of crisis is consumption on credit. It is usually the less responsible governments in the countries with delayed cultural advancement and in developing countries that choose this path. To assuage social tensions or improve election chances, they obtain credit from developed countries to buy consumer goods. The society's standard of living improves temporarily, and the governments gain the public's approval, but the goods are consumed, and the debt must be paid along with interest. This leads to another decline in the standard of living, but this time, having already had a taste of a higher level of consumption, the society now protests any decline more strongly. Before it can repay the credit previously incurred, the government is forced to go further into debt. The country enters a debt spiral, and a crisis is born.

The governments hope that by receiving the consumer credit they will be able to repay it. Sometimes they count on increased labor productivity, sometimes on a better business climate for their goods on the world markets, or the discovery of new resources. Usually, however, these hopes are dashed, and the debt increases.

The second source of crisis is the licensing trap. The more responsible governments in the countries with delayed cultural advancement and in developing countries realize that their society's lower level of consumption is caused by their economy's inability to produce goods of higher quality. They are convinced that credit purchases of modern machinery, equipment, and licenses from economically advanced countries will allow their industry to become correspondingly modernized.

The practice of many countries, however, shows the error of such thinking. Modern technology imported from advanced countries can practically never be "inculcated" into developing countries or countries whose cultural development has been delayed, except in the situation where labor from the developing countries is brought in to implement the technology. There are a number of reasons for this, which are best illustrated by examples.

Example 1. Let us consider the production of refrigerators conducted simultaneously in two factories using the same technology. One of the factories is located in Poland and the other in an advanced country which belongs to the Common Market.

The Polish factory must import the necessary raw materials, partly finished products, and other components on a poor domestic market which has only low-quality goods available. For this reason, the refrigerators produced in the Polish factory will be of clearly lower quality, regardless of the effort made by the workers and management. One could say that the low level of the Polish market "pulls down" the quality of the refrigerators.

The factory in the country belonging to the EEC is in an entirely different situation. The high level of the EEC market "pulls up" the quality of the refrigerators produced in Common Market.

Example 2. Let us consider in this example the production of automobiles in a Polish factory based on a string of licenses bought from the same automobile corporation in an advanced country.

Model I, produced in the 1930's. The factory had to buy only the license for this model of automobile. The production could be done using any sort of machine tools, and the production line needed no specialized tools. The factory could sell the car directly to any country, because any automobile shop in the buyer country could service and repair it. After complying with conditions of the license, the factory was entirely independent.

Model II, produced in the 1960's. Along with the licensing for the automobile, the factory also had to buy from the licensee a host of specialized machinery, equipment, and tools, especially dies for presses and production

lines. Only repair shops which had received special equipment from the licensee could service the automobile. Sales of the car's most minor parts could be handled only through the intermediary of the licensee, because independent sales made it necessary to set up expensive services. After abiding by the conditions of the license, the factory found its independence had been reduced.

Model III, produced at the end of the 1980's. Along with the license for the car, the factory already had to buy from the licensee the whole basic, specialized line of production machinery and equipment, along with an expensive measurement control and diagnostic setup. This model could only be repaired by repair shops equipped by the licensee, which in practice would lead to assumption of all sales on world markets. The factory's independence was further reduced.

If license production was continued in the future, for model IV, besides the license and the whole range of production machinery, as well as measurement, control, and diagnostic equipment, the factory would be forced to buy continually from the licensee numerous components and parts for the automobiles produced and repaired, especially electronics. Foreign market sales would pass to the licensee. At this stage of license production, the factory would actually become a subcontractor for the foreign corporation, which would in practice assume control over production. And what would happen with production of model V? The factory would not be able to undertake production, because it would be handled in factories run by robots, from materials and components not available on the Polish market. The factory at most could assume the role of subcontractor for certain components, which the foreign automobile corporation would find it tedious to produce.

(I would like to point out that even now the advanced countries produce practically all the large passenger aircraft, computers, lasers, and other products based on the most modern technology. The same thing will happen with automotive production in the 21st century.)

Returning for a moment to the issue of the automotive industry in Poland, I should like to express my support for Minister Wilczek's decision to give up the two models of automobile being produced on license and to focus our meager production capacity on producing the "Maluch." Although this decision is the right one today, it does not resolve the issue of the future of the Polish automotive industry. I think that both factories, the one in Warsaw and the one in Bielsko, should simply be sold to Fiat or some other Western automobile firm. It would of course be still better to create a Polish automotive company, but this is a very difficult thing to do and I doubt it is possible.

Therefore, the policy of buying licenses from advanced countries is not the proper solution to the problem of raising the standard of living in developing countries or

in countries whose development has been delayed. It also leads to greater indebtedness and greater reliance on the large corporations of these countries.

Development Through Integration

Just as it is not possible to satisfy the consumer demands of a society by going into debt, so too it is not possible to resolve the problem of mastering modern technology through a policy of using licenses. Any effective policy to lead Poland into the group of advanced countries must be based on our country's positive integration with countries which are already advanced. [passage omitted]

Without integration under Common Market auspices, no Western European country could have become an advanced country, as we can see from the example of England, which was the greatest critic of the Common Market, when the organization was created and also during the first few years of its existence. England seemed to be an even more threatening adversary of the Common Market than the socialist countries were. Throughout the entire period, England did everything it could to become one of the advanced countries without integration with other countries. Unfortunately, the technological gap between England and the advanced countries continued to widen, until Britain finally gave in and joined the Common Market in 1973. Today England can already be included in the group of advanced countries with leading technology and a high standard of domestic consumption. Denmark, Ireland, Spain, Portugal, and Greece have also selected the integration route, and a few others, Turkey and Austria among them, are trying to do the same.

During the past decade we have witnessed a group of Asian countries—South Korea, Taiwan, Singapore, and Malaysia—starting to accelerate their development. They are using the "Japanese method," which consists of development of the most modern technology on the basis of a transfer of technology, science, and goods from the advanced countries, mainly Japan, while simultaneously limiting domestic consumption to permit export intensification. We are dealing here with actual partial integration, which has Japan as its center, although these countries are not formally the part of an economic community like the EEC.

These considerations permit us to formulate the following hypothesis:

There are two methods for the effective acceleration of cultural development. One is the "European model" of actual, formal integration with unlimited domestic consumption. The other is the "Japanese model" with partial, informal but real integration along with a limit on domestic consumption. Both methods have taken advantage of the transfer of technology, science, and products from the United States, the first advanced country.

In bringing these considerations to a close, we should devote a few words to the Council for Mutual Economic Assistance, or CEMA, which the socialist countries created in 1948. CEMA has turned out to be a purely formal community, which has not led to the actual integration of its member countries. It therefore comes as no surprise that CEMA has not brought about accelerated cultural development.

A Great Community of Advanced Countries Is Coming Into Being

As we can see, in the modern world we can observe integration processes of countries in three geographical regions: North America, Western Europe, and Southeast Asia. We can single out countries or groups of countries in these regions which act as "catalysts" for this integration. These three "communities" have different levels of actual scientific, technical, production, trade, and capital integration, although formal integration is not universal yet. [passage omitted]

We should emphasize the special role and position of the United States, which up until recently acted as a catalyst for all three communities. Japan is claiming this position now.

I should also like to point out that the countries belonging to these three communities are making the most rapid cultural development. Because of the integration processes occurring right within these communities, as in a melting pot, advanced countries are coming into being, but the countries of the world that are not in these three communities are falling into debt and economic crisis.

If we take a careful look at these three communities, we can see that there are strong mutual relationships, expressed in the intensive transfer of technology, science, production, trade, and capital. They are the visible sign of the increasing processes of integration between these three communities. It is true that we can also see a competitive struggle, but after all it too is becoming an element of integration, when cooperation is increased. Tariff barriers and technological embargoes are the only processes in conflict with integration. We can also notice certain signs pointing to the creation of a uniform policy among these three communities in the realm of rates of exchange, tariffs, and government subsidies for certain sectors of the economy. The policy is created at ever more regular conferences set up by heads of the governments of the most advanced countries of the world: the United States, Canada, West Germany, France, England, and Japan.

I think that there is a firm basis for formulating the following hypothesis:

The process of integration of the three regional communities, North America, Western Europe, and Southeast Asia, has already begun. It should lead at the beginning of the 21st century to the actual formal creation of a

great community of advanced countries. When this great community of advanced countries is formally created through a treaty, an economic body with tremendous developmental growth and technological efficiency which is difficult to imagine today will come into being. The countries and regions outside this organization will be in the situation of the Indians in the 19th century. In order to prevent such a situation, and in the interest of the advanced countries too, the processes of integration should encompass all the countries of the world, especially Poland and the other socialist countries.

The Path Poland Should Take

Unfortunately, Poland is not part of the integration processes mentioned above. I see this very fact to be the major reason for our cultural underdevelopment and the present crisis. In the light of the above considerations, we can already answer the question asked at the beginning about the possibilities of independently conducting any effective economic reform in Poland:

Owing to the great technological acceleration of the advanced countries which are becoming integrated and our country's inadequate potential, Poland cannot wage an effective economic reform independently, even if it decides on drastic restrictions on consumption.

On the other hand, it is worthwhile considering whether proper integration under the auspices of CEMA can effectively accelerate our cultural development and also lead us and the other CEMA partners to the group of advanced countries. At the same time it is difficult to answer such questions, but it already seems to be too late, because the integration processes of the advanced countries are very far along. It would have been possible and relatively easy in the 1950's and maybe the 1960's. Now that we are beginning the last decade of the century in a year, it is probably already impossible, even if the CEMA countries were to accomplish such integration very efficiently and decided on drastic curtailment of domestic consumption.

So then what goal should Poland set for itself and what sort of measures should be taken to reach it? This is my answer:

Poland should become a member of the Common Market.

The actions leading to reaching this goal should be grouped in two stages:

During the first stage, the CEMA countries striving for renewal (Poland, the USSR, Hungary, for example) should very quickly become effectively integrated, accordingly using as a model the principles adopted by the Common Market.

During the second stage, the integrated CEMA countries should join the Common Market under properly negotiated conditions.

Regardless of how shocking and unlikely this solution may seem, I am deeply convinced that it is the only possible way that is entirely realistic. I am of course aware of the tremendous difficulties that will arise in the course of carrying out this plan. I am making this proposal now, when the changes occurring in the USSR and throughout the world make it politically more realistic, and I am responding to Mr Gorbachev's words about the need to build our common home, Europe.

I should also like to mention that we have already entered the "EEC," and I think that historians will agree with me. This happened in the 10th century, when Poland was converted to Christianity, which after all was not a purely religious act. A great transfer of technology, science, and goods from Western Europe occurred then too.

In addressing potential critics of my proposal, I should like to say that even now, and actually for more than a dozen years, we have been "integrating with the EEC." The only thing is that this has been negative integration. Under the auspices of this negative integration our economy has been becoming permanently dependent on western firms and western capital, especially our industry, without any accompanying free access to the most recent achievements of technology, science, and products. Poland is gradually being converted into a source of raw materials and labor for the Common Market. Is such a form of negative integration better for Poland than formal integration based on properly negotiated conditions?

ROMANIA

Erroneous Theories About Socialist Economy Refuted

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[Article by university professor Dr Aurel Negucioiu: "Viability of Fundamental Principles of Construction and Development of the Socialist Economy"]

[Text] The contemporary history of mankind is recording more and more numerous and radical changes in the technical-material base of society, in its economic structure, in its infrastructure, and in its political, ideological, and social activities as well. The new scientific-technical revolution is gaining ground more effectively, although far too unequally, in various areas of the globe. The "Third World" countries are faced with the problems caused by the aggravated technical, scientific, economic, cultural, and social gaps between them and the developed countries, and with the policy of neocolonial exploitation and domination. The internal contradictions within the developed capitalist countries are

becoming more acute, while the problem of improving socioeconomic activity and eliminating some defects and shortcomings in order to develop socialist construction is on the socialist countries' agenda in one form or another. As Nicolae Ceausescu says, "As always, all kinds of ideas and confusions arise in the course of such radical changes in the balance of power and in man's development, including lack of confidence in the forces of socialism and in the development of society in the direction of independence and social freedom." To be sure that is nothing new in history, either in our period or in mankind's whole development, but the situation objectively requires us "to study and analyze the great changes thoroughly and to draw the appropriate conclusions," as the party secretary general says.

Revolutionary social science has demonstrated and man's actual history has confirmed the truth that social progress is a natural-historical process. It is historical because it is accomplished by the masses, who produce the material and cultural values and it is natural because it is governed by the objective laws, which are independent of people's awareness and will while determining their awareness and will.

In studying the dialectics of capitalist social development, the Marxist classics revealed the objectively necessary and historically inevitable demise of the production method based on domination of labor by capital and of its replacement by a new and higher order, namely socialism. The main causes of this process lie in the profound contradiction between the increasingly social character of production, the productive forces and labor and the private-capitalist character of appropriation of the products; in the irreducible contradictions between the productive forces (the content of social production) and the economic relations (the socioeconomic form of production); in the antagonistic contradictions between the two basic classes of capitalist society, the bourgeoisie and the proletariat, and in the inability of capitalist society to solve the vital problems of all its members constructively in their interest. As Marx and Engels said in the Manifesto of the Communist Party, "Bourgeois relations of production and exchange, bourgeois relations of ownership, and modern bourgeois society, which have produced, as if by magic, such enormous means of production and exchange, are like the sorcerer who could no longer control the powers of darkness that he had unleashed." By virtue of the objective logic of the evolution of the capitalist production method, at a certain point "The monopoly of capital becomes a chain binding the production method that prospered along with it and by means of it, while centralization of the production means and socialization of labor reach a point where they become incompatible with their capitalist trappings. Those have been fragmented. The hour has struck for private ownership and the expropriators are being expropriated." This means that elimination of the domination of the bourgeoisie as the social class of capital personified and the victory of the working masses are both inevitable.

Actual history has borne out that view. Socialism is now a socioeconomic system established in countries with a total population of more than 1.5 billion. The contradiction between capitalism and socialism is one of the most profound contradictions of the present period, and the repudiation of the capitalist system by more and more new peoples and their transition to socialism are among the main features of this period. Socialism is the only way to free mankind from exploitation and oppression and to fulfill all peoples' ideals of freedom and social and national justice. As our party's secretary general says, "Although capitalism still has great forces and resources, it has proved incapable of solving the vital problems of people and the nations and of peace. Let us not under any circumstances forget that the capitalist system will have to give way to the new socialist social order. That is a law of mankind's development." No one can stop the people's victorious advance toward socialism and communism, the future of all humanity.

The Main Features

The operation and development of socialism is a process implemented in a purposeful, directed and planned way by the entire people under the revolutionary party's leadership. This process is governed by laws that operate objectively. Some of these laws (the law of conformity of production relations to the level, nature, and structure of the productive forces, the law of accumulation, the law of value, et al.) are common to all socioeconomic structures or to several of them. Other laws (the fundamental economic law of socialism, namely the law of distribution according to work, the law of planned, proportional development of the national economy, the law of establishment and development of socialist ownership of the production means, et al.) are peculiar to the socialist socioeconomic system. The progress of the socialist economy as well as the operation and development of the socialist system as a whole are governed by both groups of objective laws.

The laws common to all social systems or to some of them reflect the main, general, necessary stable relations that characterize human society regardless of its historically determined social form. The laws of the socialist system reflect its nature and what is actually peculiar to it and distinguish it from the other social systems. Due to the particular nature of socialism itself, the action of the common laws acquires some new characteristics in connection with the mechanism, manifestations, interaction with the other laws, and socioeconomic effects of their actions. While they reflect the main connections and relations characteristic of production and reproduction in general, the common laws can provide no indices to an understanding of the socialist stage of development or any other stage. They provide indices only to an interpretation of what is common to several social systems or all the systems that have followed each other in the history of mankind. At the same time they provide significant indices to an understanding of the succession of various social systems and of the transition from one system to another.

The particular nature of each socioeconomic system is reflected in the laws and principles peculiar to that system. As a socioeconomic reality, socialism has its own logic of development. Its structure is strictly determined by the material base of production and the economic base, by the nature and content of the socialist relations of ownership, and by its laws and principles. Those laws and principles exist objectively, and they are not and cannot be invented by man but can be discovered, investigated, known, and used by man.

The major problem of the socialist revolution, of abolition of the capitalist system, and of construction of the new order is that of doing away with capitalist ownership of the production means and replacing it with socialist ownership. Marx and Engels said, "Communism is not characterized by abolition of ownership in general, but by abolition of bourgeois ownership. Modern bourgeois private ownership, however, is the latest and most complete form of production and appropriation of the products based upon class antagonisms and exploitation of some by the others." Therefore, "the Communists can limit their theory to the formula, abolition of private ownership."

Establishment and development of socialist ownership constitute a fundamental objective law of construction and progress of the new social order, and of man's advance through the historical stages of social progress. Once public ownership of the production means is established and developed, the laws and principles inherent in the new society begin to operate, manifest themselves, and enrich their content and, to some extent, the laws and principles common to socialism and other systems change their socioeconomic content. By their nature, socialist ownership relations subordinate production and social reproduction to the direct and vital purposes of meeting the material and cultural needs of all members of society, free, all-around development of the personality, and full and unrestricted advancement of every member of society.

The socialist revolution in ownership relations lends the members of society a new status as collective owners of the public property of the entire people or of the cooperative units, as associated socialist producers on a micro and macroeconomic scale, as active participants in economic self-management and in self-administration of public property, and as beneficiaries of the results of their common labor and of all the national wealth. Abolition of private ownership of the production means eliminated relations of domination, oppression and exploitation of man by man and replaced them with socialist relations of collaboration and mutual aid, and it brought about a new dialectical unity of the objective and subjective factors and of production and social reproduction.

By uniting the capacities of collective owners, producers and beneficiaries in the persons of the members of society, socialism has restored labor to its natural rights

and lent it new characteristics. In the new order work is the sole source of national income and the chief source of the property of society and all its members; the sole source of individual and collective welfare; the equal and equitable unit of measure for all members of society in determining their contributions to social progress and the share due them in exchange for work performed; a basic right and honorable duty of every citizen; the chief means of developing and fulfilling the personality; the essential criterion for determining the individual's place and role in the system for organizing social production and socioeconomic activity; the supreme value of society; a profoundly democratic school for forming and developing the personality, and a basic criterion for measuring the level of individual and social awareness. The fundamental principle of socialism is "From each according to his ability and to each according to his work," work being evaluated and measured by its quantity, quality, and social importance and by the results obtained. Socialism also requires strict observance of the principle "Neither bread without work nor work without bread" as well as all citizens' assurance of the right to work and better and better working and living conditions.

Socialist society is profoundly democratic and humanistic by its very nature. Nicolae Ceausescu said, "Socialism is the most humane society and the system that seeks to unchain the individual's creative powers and to enable him to assert his personality in all activities. We make every effort to find the best ways for the masses to participate in management of all activities. We believe development of socialist democracy and the people's participation in making and implementing the policy of socialist construction are essential to the victory of socialism. No new order can be built without the entire people's purposeful participation in its implementation."

The new society is built and developed by and for the people in a purposeful way. The social character of the productive forces, socialist ownership of the production means, and the macrosocial character of collective work objectively require replacement of anarchy in material production with its social regulation in accordance with the needs of society and all its members and on the basis of knowledge and use of the objective laws and the particular conditions of the time and place wherein they operate and take effect. The Unified National Plan for Romania's Socioeconomic Development is the chief instrument for social regulation of economic activity.

In the RCP's [Romanian Communist Party] view, establishment of the new order makes it possible to use the objective laws purposefully for the further all-around progress of society. But the created possibilities do not become realities automatically. Making use of the superiority of socialism necessitates thorough study and knowledge of the action of the objective laws and of the historical conditions under which they operate in each

country and in each stage, as well as organization and performance of socioeconomic activity in accordance with the action of the known laws.

A Very Far-Reaching Process

Construction and development of socialism are a very far-reaching process. The undertaking of building the new order was not without difficulties and errors in both theory and practice. A brief historical review and a recall of the course taken and of national and international experience with socialism show that philosophical, economic, political, historical, and social thought and theory have been characterized at times by nondialectical approaches and triumphalist-idealizing, Utopian, dogmatic, rudimentary, nihilist, and cosmopolitan views that influence the strategy and policy of socioeconomic development as well as the actual construction of the new social order.

According to the triumphalist-idealizing view, socialism progressed and was consolidated automatically by virtue of its inner merits, which assert themselves automatically under any circumstances. In this interpretation socioeconomic progress goes smoothly without difficulties or contradictions or any too great efforts on the part of the members of society. The dogmatic approaches, reflecting the conservative mentality, are primarily characterized by ossification of thought through conversion of some principles and concepts applicable to certain periods and countries into stereotypes and patterns into which they try to force the entire social reality. In such approaches solutions to new problems have been and are sought in formulas developed under other historical conditions and in quotations from the works of the Marxist classics, while the creative original approach to the problems facing society is rejected. The unrealistic and very harmful theory that the class struggle would be further aggravated in the period of transition from capitalism to socialism, along with the growth of socialism's economic strength and its political, economic and social consolidation, was elevated to the status of a law. Denial of the existence of commodity production and circulation under socialism and of the roles of money, prices, the financial levers, and credit as well is another example. Denial of the diversity of the ways and means of building and developing socialism and their standardization in the so-called single model are among the most significant examples of the closed mind and attitude.

The rudimentary, primitive, cosmopolitan and nihilist views took the form of making fetishes of some erroneous and harmful theories and also of overrating and deferring to some foreign accomplishments. By way of an example, we recall the idea, current for a period in economic theory and practice, that one of the aspects of the superiority of the socialist economy is its ability to allow unprofitable outputs to be financed for a long time. As Nicolae Ceausescu says, by its nature such an idea

"reflects a rudimentary economic outlook," "an anomaly" and "a serious manifestation of economic backwardness." The mistaken opinion, also definitely opposed by the RCP, that importing equipment, machinery, technological processes, and licenses exempts us from research and allows us to profit with no efforts of our own by the results of the worldwide effort to develop modern science and technology is also to be noted in this connection. It is an opinion that was reflected in underrating the technical sciences and other fields of original scientific research and in resorting to imported licenses without attaching due importance to our own scientific research. Those ideas and attitudes, the difficulties caused by the broad scope of the process of building the new society, the pioneering nature of that process, the survival of some remnants of the past and of some factors favoring their reproduction, etc. have had and even still have a number of bad effects on socialist construction.

The RCP and its secretary general have been making a considerable contribution to scientific, dialectical-materialist analysis of the present situations in thought, theory, and ideology and in social practice as well. As Nicolae Ceausescu said in his speech in November 1988, "It can be quite rightly stated that the Ninth Party Congress inaugurated a new revolutionary era in the party's activity and in Romania's socialist construction." On the basis of the fact that Marxism is a living and constantly developed and enriched science, correlating past experience and the conclusions from social development, and that the Marxist theory is not a dogma but a guide to action, the Congress freed Romanian social thought from the chains that bound it and opened wide the way to promotion of the creative, scientific and revolutionary spirit in both theory and practice. By promoting this policy the Ninth Party Congress made a telling contribution to the defeat of dogmatism, routine and inflexibility in thought and practice, to liberation of theory from triumphant, unrealistic, and metaphysical views, to elimination of Utopian elements from social thought, and to restoration of the fundamental, natural tie between revolutionary theory and socioeconomic practice. Thanks to that policy the RCP regained its dignity and awareness as a revolutionary party, and the people recovered their feelings of patriotic pride, respect for their age-old past, and national dignity as well as their feeling for their strength and capability, and the way to the socialist rebirth of Romania was opened.

The General and Particular in Socialist Revolution and Construction

The RCP regards the general and the particular as an inseparable dialectical unity. The general, which expresses the essence and the objective laws, exists and appears only in and through the particular. While definitely rejecting the theory and practice of the "single mode," the RCP also believes that economic laws, like other social laws, that are "purely" national and operate only in a given country do not and cannot actually exist.

The internal laws inherent in any socioeconomic system operate and take effect in all countries where the same production method prevails, according to each country's particular conditions of course. To be sure that does not mean that the particular conditions and distinctive historical features are to be ignored, but that the essence (socioeconomic nature) of socialism is the same in all countries where that system has won out.

Socialism has certain basic characteristics embodying the laws and principles binding on any people intending to build a new social order. Our party's secretary general says, "It is impossible to speak of socialism without practicing the socialist principles of production relations and those of distribution of incomes in society according to each one's work." That means that "There is no national or international communism. Communism is both national and international." Nicolae Ceausescu says, "In accordance with that truth, there is only one socialism and what we are creating is not a 'Romanian socialism' as it is sometimes called, but an application to the particular Romanian conditions of the basic principles of socialism, which are intended to enable the individual to completely fulfill himself both materially and culturally, to become a participant in all of the nation's socioeconomic activity, and to feel that he is really free and master of his fate."

Thus, in developing its strategy and policy the RCP has been proceeding from study of the objective laws governing socialist socioeconomic development. Past experience proves that disregarding or underrating the general laws leads sooner or later to irregularities and discrepancies in socioeconomic development and difficulties in the evolution of society. This means that attempts to interpret the nature of socialism pluralistically and to accredit the idea that there are many socialisms differing in nature are and remain unscientific and devoid of objective support.

In pointing out the single nature of the socialist system the fact must also be stressed that socialism is no abstract or inflexible pattern, nor a mold into which the entire socioeconomic reality must be forced. The objective laws operate under specific conditions. The diversity of economic, political, social and national conditions, the distinctive historical features, and the varying stages of development make differences in the forms of socialist construction and in the methods of social and economic organization. Such differences are natural and inevitable in such a far-reaching process as building the new order. It is accordingly impossible to build and develop socialism and communism under varying conditions of space and time on the basis of any universally valid pattern or "single license" or in any one way.

While exalting the general and underrating the particular inevitably leads to orienting theory and practice according to dogmatic, unrealistic views and to resorting to "import solutions," creating insuperable difficulties in construction and development of the new order, exalting

the particular and underrating the general leads to arbitrary, voluntarist and subjective thought and action, retarding the normal functioning of society and socioeconomic progress. Hence the conclusion that the success of the strategy and policy for building and developing the new order critically depends upon knowledge and consideration of both the general and the particular and of the dialectical relationships between them as well.

Recognition of the diversity of the ways and means of building and developing socialism has nothing in common with the idea that the many ways and means of achieving the socialist ideal themselves bear out the existence of several kinds of socialism. That idea is wrong primarily because it places two different realities on the same level and, in fact, identifies them, namely the socialist system, as defined by its nature, and the ways and means of building and developing socialism.

A number of criticisms of the ways of building and organizing socialist society have appeared, recently especially, in the technical literature and also in political practice. In our opinion, several positions and trends are to be seen in this regard, including dialectical, constructive criticism, unconstructive criticism, criticism that is destructive by nature, and anticommunist criticism. Although this classification is incomplete, to be sure, and of a conventional and relative nature, it can further clarify the contents and aims of the said views.

Dialectical criticism is primarily distinguished by its objective, scientific, and constructive character. By virtue of its content, it opposes and rejects what is negative, outmoded, erroneous, and harmful in the socioeconomic reality and what is negative and obsolete in social theory. It retains and develops all that has been and is constructive in the past and present, and it supports and promotes the new and all that is progressive. Being based on the principles of scientific socialism and the historical and dialectical-materialist conception of the social world, it is a criticism from socialist positions and from those of the entire people, and it accordingly attacks the negative phenomena in socioeconomic activity, social thought and social awareness. This true social self-criticism is clear, objective, correct, and optimistic and it evaluates socialism's progress in the course of its history, its objectivity, its legitimacy determined by the objective laws, and its prospects. At the same time dialectical criticism tries to determine, on the basis of socialism and its fundamental principles, the best measures and ways and means to overcome difficulties, to eliminate defects, to improve the constituent elements of the socioeconomic structure, and to create and promote the new and all that is progressive. It demonstrates its constructive character in this way, by bringing out socialism's capacity for self-development and self-improvement.

Essentially, the unconstructive critics confine themselves to stating the difficulties confronting socialist society in a given stage and the negative phenomena in a given country, short of looking for measures to eliminate

and remedy them. In a way it may be said that this kind of criticism is more in the nature of indicating and calling attention to things, and it is aimless.

We think the criticism that can be correctly called destructive is criticism of the present made, in a certain sense, from positions of the past and recommending a return to capitalist forms of organization and management. In this way some participants in the discussions going on in various countries about the measures that must be taken to improve the new order wrongly include the Unified National Plan for Developing the National Economy [as published] among the "bureaucratic forms" of management and organization and identify the Unified National Plan with excessive centralism. There are also attempts to oppose the Unified National Plan to the socialist market and to support, as a means of "improving" socialism, replacement of planned social regulation of production and reproduction with free and unrestrained competition, in other words with market socialism.

Upon consideration of such approaches we must note in the first place that the functioning and development of socialism are of a planned nature, mainly because of the social character of the productive forces, the nature of socialist ownership of the production means, and the advanced character, on a national scale, of collective labor. As part experience tells us, the Unified National Plan is the instrument of social regulation and purposeful direction.

The Unified National Plan is the instrument for developing the whole unified national economic complex. We regard it as a national plan in at least three respects. In the first place, from the standpoint of its preparation, any unified national plan in a profoundly democratic socialist society must be actually based on self-management and the outcome of the collective wisdom, as well as an undertaking of the entire nation. In the second place, from the standpoint of its orientation and ends pursued, the Unified National Plan is and has to be the most accurate reflection possible of the vital interests and requirements of society and all its members and accordingly of the entire nation. This means that it is the chief instrument whereby society can make more and more knowledgeable use of the objective economic laws in keeping with their content and the conditions under which they operate and take effect. The provisions and aims of the plan are the whole nation's options, and the direct and basic purposes of implementing them are the fullest possible satisfaction of the material and cultural needs of all members of society as well as the free and all-around development and full assertion of each one's personality. And in the third place, from the standpoint of implementation, the plan's provisions are carried out by the entire people, by all members of society, who are obligated to work in keeping with their ability.

It is clear that replacing purposeful social regulation with free competition would lead to a mechanism of haphazard and anarchic operation and development characteristic of capitalism. On the other hand the assertion that

there is an "irreducible opposition" between the plan and the market has not been proved by any means. Whereas the existence of commodity production under socialism was once purely and simply denied on grounds of this "opposition" and "incompatibility," now it appears that is proposed to abandon the plan and to replace it with free competition on grounds of the same "incompatibility." But the experience acquired by socialism necessarily requires consolidation and improvement of uniform planning of socioeconomic development and accordingly of production, distribution, exchange, and consumption of goods, and not its elimination.

Socialism makes it possible to know and use the objective laws and to organize activity in accordance with the action of those laws on the basis of a national plan. Under the new order people are aware of the objective requirements of social progress, which become the deliberate goals of their activity and lend substance to the aims of the Unified National Plan for Development.

Other "suggestions" to improve socialism are aimed at so-called development of private-capitalist ownership and small private ownership. Essentially, this position accepts the existence of a socialism based on private ownership of the production means, which is a contradiction in terms. Socialism can have no economic base other than public ownership of the production means. The national wealth can and should be used in the interest of society and all its members only when and if it becomes public property. By abolishing private capitalist ownership socialism permits real leveling of human nature by man and for man. Therefore, as Karl Marx said, communism "is the true resolution of the conflicts between man and nature, between man and man, between existence and essence, between objectifying and self-assertion, between freedom and necessity, and between the individual and the species. It is the solution to the enigma of history, and it realizes that it is that solution."

This means that under socialism society cannot be improved by going back to old and historically outmoded forms of ownership but only by improving and developing socialist ownership itself. As Nicolae Ceausescu says, our own experience has fully confirmed the fact that consolidation and development of socialist ownership "are the only ways to implement the principles of social justice and equity, intensive development of the productive forces, and the welfare and independence of every nation."

All this brings home the fact that the destructive critics are taking positions of the past in their theoretical and practical procedures. They are going back to old ideas and practices that are historically outmoded and refuted by experience and its basic realities. The constructive solution to the problems of improving and developing socialism objectively necessitate their treatment with an eye to the future, not the past, and from the position of

the revolutionary reforms that have been accomplished and of the necessary and natural advance on the course of continuous progress. And that is all the more true and necessary now that the future is being built by the entire people in a purposeful, planned way under party leadership.

Socialism is also criticized from other positions and in another way. For instance, the authors of nihilist, destructive criticism, if it can be called "criticism" in the real sense of the word, take capitalist, or perhaps more correctly, anticommunist stands. As Nicolae Ceausescu says, "The ideologists and apologists of capitalism are trying again to present capitalist ownership and the society divided into oppressors and oppressed (whose day has come, so to speak, from the historical point of view) as a higher form of social and production relations." In some of their works socialist ownership is regarded as an idea "without substance," a form with no real significance, and a "category whose existence is generally unclear." Other works maintain that socialist ownership is neither necessary nor adequate for making decisions and accordingly for implementing economic power. Public ownership of the production means is considered "incompatible" with individual freedom and initiative while private ownership is alleged to guarantee freedom and the spirit of initiative and to be "superior" to socialist ownership on that ground.

But as all history tells us, private-capitalist ownership is by its nature the product of others' labor gratuitously appropriated by the capitalist. It reflects domination, oppression, and exploitation of the working class and the other workers by the bourgeoisie. As contrasted with capitalist ownership, socialist ownership reflects collaboration and mutual aid among all members of society. It is incompatible with division of society into exploiting and exploited classes, and it permits uniform management of the entire national economy and use of public property in keeping with the socioeconomic needs and interests of society and all its members. It is the real economic base of equality among all workers and all citizens of every country and the foundation of the real democracy characteristic of the socialist system.

Socialism, the Future of All Humanity

The bourgeois critics of socialism and the relations in it maintain that the shortcomings and the errors and abuses committed in a country are characteristics "inherent in socialism" and due to the nature of the latter. But the actual situation in the socialist countries shows that although socialism has done away with domination, oppression, and exploitation of man by man, it does not exist in a pure state. Although advanced socialist awareness has become predominant, nevertheless the behavior of some members of society still betrays remnants of the old ways of thinking, working and living that persist and are even reproduced under some circumstances. Meanwhile, the same situation shows that some socioeconomic shortcomings in various countries

(imbalance, irrational use and waste of material, financial and manpower resources, instances of stagnation or even of regression in a given field) are not caused by the nature, laws or principles of socialism but by exalting or disregarding and violating those principles, so that by their nature they are not socialist processes or phenomena but deviations from socialism and from the principles and requirements of the new order. The harmful remnants of the past and the errors and abuses that have been committed are not only not socialist in nature and in their socioeconomic consequences but also nonsocialist elements, and some are even antisocialist, in irreducible contradiction with the nature, laws and principles of socialism. Therefore, as Nicolae Ceausescu says, "The splendid socialist principles and ideas, which maintain and will continue to maintain their entire validity, must not in any way or under any circumstances be equated with the errors or abuses that have been committed in socialist construction in any country in any period." That truth is borne out by history. Firm, consistent, and creative application of the fundamental principles of scientific socialism and prompt elimination of defects have been and are among the most important factors for socialist progress.

In the period of building the new order the socialist nature of economic, political and social relations is constantly improved and enriched as they mature. Processes and phenomena that are originally socialist in form gradually become socialist in substance, too, and accordingly become real socialist processes. But that does not demonstrate a "crisis" of the fundamental principles of socialism but their viability, and the enhancement of their operation and manifestation along with general socialist development and in step with that development.

Some theoretical-ideological criticisms of socialism have been formulated by bourgeois thinkers for purposes of discrediting socialism and accrediting the idea that socialism has not proved and will be unable to prove its viability or its ability to reproduce and advance itself and is accordingly "without prospects." For this purpose of fomenting distrust of socialism and its fundamental laws and principles, denigration becomes a common practice and identification of its nature with some uncharacteristic manifestations of it, exaggerating its shortcomings and difficulties while passing over its recorded achievements and successes in silence, lack of objectivity, bad faith, etc., become ordinary methodological procedures.

Despite the mistakes and failures that have occurred, socialism has proved its viability and its ability to solve vital problems according to the needs and interests of the members of society, people and the nations. The abolition of antagonistic classes and exploitation of man by man, establishment of socialist production relations, acquisition and retention of political and economic power by the working class in alliance with all workers,

continuing democratization of society, and subordination of all activity to the individual's welfare are facts that cannot be wiped off with a sponge. Experience shows that socialism is the only way for mankind to secure a more worthy life, to eliminate unemployment and inequalities of every kind, and to bring about the full equality of all nationalities and all workers.

In the theoretical discussions of the problems of developing and improving socialist society, the Communist Party's role in that process has a special place. Opinions have been formed in some countries recently to the effect that social management by the party is not an objective necessity, that the Communist Party and its activity allegedly retard the development of democracy, and that the party is a "factor for bureaucratizing" society. The theory is also maintained that the Communist Party should not be directly responsible for implementing the plans and programs for socioeconomic development.

Almost all the "arguments" brought in support of those opinions concern erroneous practices in the past activities of various communist parties. But the interpretations of those practices and especially the conclusions drawn from them by the proponents of the said theories are not unquestionable. Furthermore, they are scientifically, theoretically and methodologically wrong, and they are harmful from the practical-political, ideological and sociological standpoints because they are destructive by nature. The practices to which they refer in no way reflect the main activities of the respective communist parties, whose substantial and decisive contributions to the socioeconomic progress of their countries have been and will be recorded in the pages of history. In this connection, it is clear that the mistakes that were made did not originate in the nature of the socialist system. On the contrary, they were and are violations of the principles on which the organization and activities of the revolutionary parties should be based. Therefore, the rational and correct solution of the problem is not to reject social management by the Communist Party but to create and guarantee all conditions to secure unfailing observance of the principles on which its existence and activity are based.

It is now better known than ever that the rate of construction and development of socialist society, its durability, its structure and architecture, its ability to function and develop, and the efficiency of its operating mechanism critically depend upon the extent to which the objective laws are known and considered and the people's socioeconomic activity conforms to the objective necessities of progress. Ignorance or disregard of the objective laws and the particular conditions under which they operate deprives construction of the new order of any clear orientation and gives rise to subjectivism, voluntarism, dogmatism, and inflexibility in thought and action, and lack of moderation and realism, with harmful effects upon social development.

The party's progress as the leading nucleus of society is the outcome of a regular process of historical development, its activity and effort, and its characteristic functions and features. The RCP is the flesh of the Romanian people's flesh and the soul of their soul. It is the heir and [the means of] continuing the people's age-old struggle for social and national independence and freedom, equality, dignity, and prosperity and the highest form of organization of the working class. It is the most advanced part of the entire people, the most faithful and authentic representative of the people's vital interests, the nucleus around which all society gravitates, its collective wisdom and its vital center.

The Communist Party's leadership not only does not "conflict" with socialist democracy and its development but is now the most important factor for the further progress of workers-revolutionary democracy. The party does not lead in the name of the working class but together with it and the entire people. It is in the RCP's close and inseparable ties with the working class, the peasantry and the entire people that its strength lies. The ideal for which the party militates is the entire people's ideal and its policy is accordingly the people's policy. The party radiates the energy and light that activates the mechanism of all society. Meanwhile the party is regenerated by the powerful rays of energy and light flowing toward it from the ranks of our socialist nation.

In view of these truths, which are attested by a long and real history, it is now more necessary than ever not to abandon the Communist Party's leadership or to practically liquidate it but, as Nicolae Ceausescu says, to improve its forms of organization, its operating principles, its approach, and its ways and means of management, to promote the revolutionary spirit intensively, to eliminate all existing defects, and to develop the party itself and its leadership.

Competitiveness of Transportation Vehicles for Export Urged

27000066 Bucharest REVISTA ECONOMICA in
Romanian 14 Apr 89 p 11-12

[Article by Ioan Georgescu: "Flexibility in Export Production"]

[Text] Fulfilling our export plans in exemplary fashion is one of today's most important tasks in the economic arena. Underscoring the important economic significance of trade, our party's secretary general, Comrade Nicolae Ceausescu has pointed out, "We must fully understand that carrying out foreign trade is an objective necessity for us and that we cannot achieve our program of socioeconomic development without wide-ranging international cooperation in all areas." To rapidly increase exports requires the constant promotion of technical and economic progress. This can be achieved through better organization in production, labor, and management, and through increased innovation to improve the technical and qualitative level of products

for export and to enhance marketing mechanisms. The experience of our enterprises which are most successful in meeting export plans shows that maintaining a dominant position in the world market requires that one stays attuned to the dynamics of that market, regarding both product life cycles as well as the forms for marketing and cooperation.

The years of socialism in Romanian industry have seen an entirely new section come into being—the automobile industry which not only has met the various needs of the national economy but which actively participates in exporting. Currently in our country, the automotive industry is represented by numerous enterprises which have earned a prestigious reputation both at home and abroad. These enterprises include the Brasov Truck Enterprise, the automobile plants in Colibasi, Craiova, and Timisoara, the Cimpulung All-Terrain Vehicle Enterprise, the "Autobuzul" enterprise for busses, trolleys and specialized transport vehicles, the Mirsa Specialized Vehicles Enterprise, etc. These enterprises together with those which produce tractors and agricultural machinery are for organizational purposes united under the Brasov Industrial Central for Tractors, Vehicles, and Farm Machinery and the Industrial Central for Automobiles.

Mass transit vehicles are produced in our country solely by the Bucharest "Autobuzul" enterprise which in 1988 had 35 different production activities. It produces three major types of vehicles: buses and trolleys with seating capacities from 20 passengers (the Rocar 106) to 150 passengers (the UD117); interurban and touring buses (from 15 to 54 seats), the latest model being the Rocar 112 RDTM; specialized vehicles for transporting passengers or freight (delivery vans, minibuses, pickup trucks, ambulances, and special vehicles (laboratories on wheels, specialized transport vehicles, etc.). Currently "Autobuzul" produces 17 types of buses, 5 varieties of trolleys, and over 30 types of specialized vehicles. Between 1968—the first year of exports—and today, hundreds of thousands of vehicles of all three types have been delivered overseas. The percentage of production that is exported has climbed continuously so that in 1988, 35 percent of all products were exported. In this 5-year period alone, exports have grown 153 percent.

In the area of cooperation, which is widespread and specialized in such an industry, the industry's production is classified under two major groups—vehicles with self-supporting structures, that is where the body of the vehicle is entirely produced within the enterprise, and vehicles mounted on chassis received from other parties through cooperative agreements. Practically speaking, the value of components received through domestic cooperative agreements is double that of the value added at the enterprise which assembles the final product. In other words, direct exports are to a large degree dependent upon the indirect. Significant in sustaining the prestigious international reputation of the "Rocar" brand name, which is applied to vehicles produced by

the "Autobuzul" enterprise, has been a series of innovations over a number of generations of products (4-5). This was an area of cooperation between factory specialists and those at the "Autobuzul" branch of the Brasov Institute for Scientific Research for Tractors and Automobiles.

An essential characteristic of the export market for public transportation vehicles is the requirement to rigorously adhere to the specific demands of a particular country's highway regulations and the conditions under which the vehicle will be used (temperature, humidity, topography, loads, etc.). Competitiveness in this arena is determined by the flexibility to adapt efficiently and on time to meet delivery schedules on the world market. A preliminary stage to exporting vehicles to any market is that of obtaining verification certification—tests by the prospective buyer to see how a model performs against specific restrictions such as exhaust emissions, noise, safety standards (signaling, quality of brakes, mirrors), ventilation, climate adaptability, and so on.

Significant for the variety of climatic conditions encountered in daily use is the range of temperatures under which the testing is performed—beginning at 40° centigrade below zero and ranging up to 55° centigrade above zero. In order to determine the characteristics of the Rocar 112RDT arid climate bus, the "Autobuzul" enterprise requested the assistance of specialists from the National Institute of Thermal Motors and from the Vehicular Department at the Bucharest Polytechnic Institute. In this case, the issue was to insure constant temperature performance by all cooling elements (water and oil) as well as installation of air conditioning and cold drinking water facilities. As the result of cooperative efforts with the prospective distributors, the vehicles successfully passed the verification tests under both normal load and heavy load (rough terrain) conditions. This paved the way to new markets.

For a vast market such as the Soviet Union, test and delivery specifications—for trolley buses—vary from year to year depending on where the vehicles will be used. For example, there is one set of specifications for Kiev and another for Moscow. For delivery to Cuba with its high humidity, a series of adaptations and customized processes was necessary. Obviously, these examples could be continued with the specifications for Columbia, Nigeria, Egypt, the United Arab Emirates, Iraq, the GDR, Bulgaria, Hungary, Zaire, Madagascar, Benin, and Cameroon.

Insuring production flexibility is a constant concern of the enterprise's design sector. Modernizing programs are aimed at introducing flexible and adaptable technology. Through its own technological organization and through production technologies it insures this elastic production characteristic which is in keeping with the enterprise's requirement to produce a wide variety of products beginning with basic production types. Germane to this issue are the construction of devices and equipment for

assembly, anticorrosive protection and painting installations, and general assembly technical lines which, for example, were designed to allow the assembly of buses both 17 and 8 meters long.

The large variety of standard parts and subassemblies is aimed at the same goal, by allowing the assembly of a wide variety of products using the same parts. Thus, buses and urban trolleys now share 80-90 percent of the same parts, using common benchmarks for the chassis, the frame, and in general assembly. Similarly, the entire range of specialized vehicles are assembled largely from interchangeable parts—about 80 percent. A quantitative step forward in the process of product flexibility is the introduction this year of flexible systems for processing. The "Autobuzul" enterprise will be the first enterprise in our country equipped with a flexible processing system. This system is currently in final testing at the Roman Machine Tool Enterprise and was built from a design of the Bucharest-based Titan Scientific Research and Technological Engineering Institute for Machine Tools. The performance of such a system equipped with robots for manipulating and placing parts, with active dimensional electronic controls and with computer-assisted command, insures not only energy savings, easy manipulation and a fivefold increase in productivity, but also superior quality in the operations performed. From the very start, groups of related parts were studied—those with similar processing—which could benefit from new flexible systems and research was set up along these lines at the research institutes and machine tool enterprises.

Given these technological concerns one can appreciate that the entire 1989 line of products is composed of new or modernized vehicles, the level of innovation reaching about 75 percent this year. We should mention that all products are the result of our own technology. For each product that will be introduced into production, a technical file of quality criteria is established. Based on this file, the technical performance of a particular product can be compared with similar parameters that are world standards and which are maintained in a technical data base of the enterprise. For each of the vehicles' component parts, there are groups of specialists who constantly monitor the evolution of world technology and recommend appropriate solutions to keep apace with the market's level of technology. An example of this is a new trolley bus for export to the Soviet Union, the most complex design yet (a fifth generation), which include original solutions incorporating an electronic device for selecting optimum driving controls thereby reducing energy consumption by 15-20 percent. Another original concept in performance is the new minibus, the "Rocar 106" which recently has appeared on Bucharest streets and is slated for export as well.

The "Autobuzul" Enterprise has set as its goal a continued increase in the volume of exports by producing new competitive products with enhanced comfort, styling and appearance. This is a goal in which an important part will be played by a series of suppliers such as those

who produce the paints (to insure a wide range of colors, with attractive modern pastels for commercial applications), tires (to insure the technical elements of the rubber), fiberglass reinforced mass plastics, electronic equipment and so on.

As a question of mechanics here, we must point out that if the principle of priority for exports operates properly as far as an enterprise's own contribution to export (direct), then for the suppliers in internal cooperation activities—the horizontal industry, deliveries to an exporter are indirect deliveries for export (indirect export) and thus must be second in the order of priorities. Suppliers to the suppliers will, for their part, place these deliveries at the third priority level and so on. It is normal that in these cases, a series of parameters affecting the competitiveness of a final product is dependent upon the suppliers' prices, terms of delivery, quality and reliability, and the delivery conditions of sub-suppliers.

Obviously the export of highly sophisticated products is more advantageous than the direct export of some sub-assemblies or raw materials—the material in its composition being viewed from macroeconomic interests. Key economic factors can require, as Party Secretary General Nicolae Ceausescu has pointed out, that at the sub-supplier level there be an equal interest, to the extent that they promote a climate of competition among producers in the horizontal industries, thus insuring a choice of assemblies from different suppliers. In this case, the selection of a supplier can be made on a number of criteria—price, adherence to delivery schedules, and quality and reliability (keeping in mind that weakest component determines the reliability level of the final product.) Under these conditions, the enterprise which delivers the final product can take on the task of reducing costs for its suppliers, which are two-thirds the total cost of production.

Special mention must be made of the impact that using subassemblies made from fiberglass plastics can have in promoting more active design in planning new models. On the international market, elements of the most advanced design of exceptional technical complexity from the processing point of view are made from fiberglass reinforced plastics. This adds an aerodynamic appearance to the vehicles, giving them the competitive edge from an aesthetic-commercial aspect. Thanks to the important investments which have been made in producing fiberglass within our country, the machine construction industry now has at its disposal a new high performance material which, however, should be incorporated in automobile subassemblies. It appears that in this area of maximum exploitation of fiberglass's potential, success is limited. There is work to be done yet in the industrial technology of economically implementing fiberglass in machine subassemblies (successfully replacing steel, aluminum, and other materials in short supply).

As with other groups of machines, our international partners are demanding improvement in the weight/useful work ratio through the use of fiberglass reinforced plastic which—along with the fact that it lightens the vehicle—has superior reliability, easy upkeep and is simple to replace. In manufacturing, it eliminates the need for certain specialty steels and allows the casting of unusual forms with complicated molds to obtain precision plastic parts. The success achieved to date in manufacturing the hood and roof of pickup trucks and minibuses, and the shock absorbing bars of interurban and tourist buses from reinforced plastic, argues for an extension of its use to other components—insuring technological efficiency.

Introducing these elements of ongoing innovation into products offered for export will insure that the vehicles manufactured by the "Autobuzul" enterprise—today in use in 45 countries on all continents—will remain among the competitive products offered abroad and will be even more eagerly prized on foreign markets.

Need Exists for Better-Quality Bearings for Export

27000067b Bucharest *REVISTA ECONOMICA* in Romanian 21 Apr 89 pp 13-14

[Article by Aurel Crisan: "Quality as an Essential Requirement for Fulfilling the Export Plan"]

[Text] Increase in competitiveness in the machine building industry is a complex process carried out systematically, stage by stage, from the simplest components of horizontal industry to the most complex leading technology equipment. One such preliminary stage in Romania, an inevitable one in the manufacture of high-performance complex equipment used in many areas of machine building, has been that of making heavy bearings. As the secretary general of the party, Comrade Nicolae Ceausescu, pointed out at the recent plenum of the Central Committee of the RCP [Romanian Communist Party], "we can produce any equipment, any machines. Let us make a commitment to being competitive in any field with the best products made throughout the world."

Of course, a cost-effective run produced by such an industry may exceed the needs of the national economy; hence if competitive goods are made they can be marketed as exports at any time. This is the case with the Heavy Bearing Enterprise in Ploiesti, whose experience is discussed below.

The new unit making heavy bearings, components in great demand in the production of complex equipment of great technical and economic value, is one of the enterprises of great importance in the economy of Prahova County. Hence the old industrial center of Prahova has added to its prestige as one of the foremost world exporters of petroleum equipment and of bearings.

Specialists at the enterprise state that the world literally runs on ball bearings. This is obviously an exaggeration, but it does contain much truth, in that, as we know, all the inventions devised through the centuries, all mechanisms simple or complex, all equipment intended to serve the cause of progress, all motors contain a component of the highest value in the process of rotation, friction, or sliding—the ball. As part of a bearing it facilitates, maintains, or assists in bringing about substantial (sometimes incredibly great) increase in speed and acceleration.

The needs of the national economy, both domestic and for export, for bearings of different types, sizes, and degrees of complexity have led to the establishment of enterprises specializing in the manufacture of bearings in different areas of the country. Thus, a new center, and at the same time an important subgroup of products, the heavy bearings made at Ploiesti, have been added to the group of bearing producers including Brasov, Birlad, Suceava, and Alexandria.

The new enterprise produced its first 500 tons of bearings 10 years ago. It should be pointed out, however, that these were not the first heavy bearings made by Romanian industry. Not far from the current main office of the Heavy Bearing Enterprise is the Chemical Equipment Enterprise. The latter manufactured large-sized bearings as components of equipment needed by the vigorously developing chemical equipment manufacturing industry, for internal needs and for other customers. The bearings obviously were produced under conditions very different from those which currently exist, but precisely the difficulties inherent in starting up led to increase in the degree of personnel specialization and to the finding of solutions for which the authors were distinguished with the titles of innovator and inventor.

The dedication and professionalism of the specialists of the Chemical Equipment Enterprise were taken over by the new specialized economic unit, which in a short time proved itself to be a model of a high-performance industry. The technical knowledge of the core group of enthusiastic workers, technicians, and engineers of the Chemical Equipment Enterprise was decisive in training what may be termed the first generation of ball bearing experts to deal with the problem of highly specialized and single-item production, with no complexes whatever. The young staff of workers and specialists of the enterprise in a single decade more than quadrupled the product range and increased physical output by almost six times.

A leading industry found fertile ground for fulfillment here as a result of the scientifically sound and farsighted decision made to develop this facility; Comrade Nicolae Ceausescu constantly took an interest in the fortunes of this enterprise of such great importance to the economy of the country. There has been full symbiosis between the technical vocation and the creative nerve center of the

staff on the one hand, and the innovative revolutionary prospects of an industrialization policy which today has reached the stage of high-quality performance on the other.

Our trading partners—Austria, Belgium, France, the FRG, Hungary, the USSR, etc.—now rate highly the quality of the bearings made in Ploiesti. During the first quarter of 1989 the export plan was exceeded to the extent of 156 percent. Current foreign contracts also insure that the export plan for 1989 as a whole will also be exceeded. The competitiveness of these Romanian products has been clearly demonstrated at each of the Bucharest international fairs and at expositions in various countries around the world in which the "Tehnimport-export" foreign trade enterprise, which concerns itself with exports of Romanian bearings, has participated.

These export accomplishments are explained by the care devoted to problems of quality by the entire staff of the enterprise. Tests conducted both in Romania and by her trading partners have shown that the product meets all requirements. These especially complex components, heavy bearings of various types, are turned out in a very high precision category on a rating scale established by international codes. In concrete terms this means that no deviations of shape, parallelism, surface roughness, and porosity of rolling (balls, rollers) and bearing way elements (rings, collars), even of the order of microns, are allowed. Exceptional equipment and complex, high-precision design are thus required.

Extension and diversification of the product range is another basic element of export strategy. Every year new products are offered for export, for the metallurgical, petroleum, machine tool, chemical equipment, and other industries.

To judge by the rate of upgrading of production, we may say that one of the best groups of design specialists in the country has been formed, one equal to or even better than those working at similar enterprises in other countries. It would otherwise not have been possible for Romanian industry to market 767 types of heavy bearings between the establishment of the enterprise and the present, that is, in slightly fewer than 10 years. More than 70 new types, models, and sizes were approved in 1988 alone, in accordance with the demands of the market and customers. This implies a remarkable receptivity and capability of assimilation and technical creation. This explains why specialists have wrung from stock machinery and equipment (characterized by the highest performance and output, to which the machine tool builders of Birlad, Roman, and Oradea have made a noteworthy contribution) more than the initial ratings would seem to justify. How have they done this? The strict quality and precision standards have made it necessary to create tool, device, and control instrument systems which have been rated in the precision classes demanded by the most recent requirements set in their

field. Much labor has been expended in this direction, profoundly creative and painstaking work which has imparted extremely high quality to the finished product. The designers constantly visit the various departments, where they in effect discover everything that the engineer's imagination cannot anticipate but can work on once he has seen it.

The youth of the staff, both production and design personnel, represents a cardinal factor in stimulating technological and engineering thought, as well as the language of communication. A real spirit of emulation prevails at the enterprise in the search for innovation, to find the most suitable measures insuring that the products turned out will fully embody the two major characteristics, technological effectiveness, and economic efficiency.

There are, of course, many aspects to the spectacular and intricate development of the bearing to its high-performance status. A recent study of functional quality and reliability conducted by the enterprise, a study based on technical statistical elements taken from the trade lists of the most reputable firms throughout the world, shows that nearly 80 percent of Romanian-made heavy bearings meet high world standards. And these standards are met under conditions in which the bulk of output is made up of single pieces or very short runs (6-60 pieces) of bearings used in major metallurgical and power engineering assemblies, coal mills, ship engines, marine petroleum drilling and extraction platforms, etc.

Increased Labor Productivity in Machine-Building Industry

27000067a Bucharest *REVISTA ECONOMICA* in
Romanian 21 Apr 89 pp 11-12

[Article by Dr Viorel Lefter: "Marked Increase in Labor Productivity a Priority Objective"]

[Text] Increase in labor productivity represents an important direction of action in the process of creating a well-rounded socialist society, by reducing and eliminating significant economic gaps, and at the same time is an essential factor in raising the material and spiritual standard of living of the entire people. Proceeding on the basis of the decisive role of labor productivity in insuring dynamic and efficient development of the national economy, party documents stress the need for all enterprises to take action to insure increase in the productivity of labor through better organization of all operations and increase in the degree of mechanization and automation. In this connection the secretary general of the party, Comrade Nicolae Ceausescu, pointed out in his speech at the recent plenum of the Central Committee of the RCP [Romanian Communist Party] that in the future "particular attention must be devoted to significant increase in labor productivity in all areas on the basis of

scientific organization, provision of new complex and upgraded machinery and equipment, and automation and mechanization of various operations in all sectors of activity."

During the years of socialist construction, and especially after the 10th Congress of the RCP, our people have achieved remarkable successes in social and economic development of the country. For example, nearly 2,000 enterprises and more than 180 new industrial centers have been created over the last 20 years. In addition, an extensive investment program has been carried out, one involving a total of 4,100 billion lei, and the wage fund has increased nearly six times and average wages have more than tripled. The accumulated national wealth has grown on this basis to reach 5,100 billion lei, and fixed production capital around 2,500 billion lei. The national income has multiplied more than 36 times the level of 1945 and the wage fund around 75 times. All these accomplishments of the Romanian economy are closely linked to insuring a high rate of labor productivity in all sectors of activity. In industry, for example, the leading sector of our national economy, an average rate of growth of labor productivity per person of 5.9 percent was recorded over the 1966-87 period, the labor productivity level in 1987 being 3.55 times higher than in 1965. In the machine building and metalworking industry, labor productivity increased more than fivefold over the period in question.

Speeding Up Promotion of Technical Progress

Transition to intensive development of industry and other sectors, however, requires persistent application of firm measures in the direction of more rapid increase in labor productivity. To this end, the program for greater increase in labor productivity over the 1983-85 period and to the year 1990, along with the programs for improving the organization of and upgrading production processes, represent important tools which incorporate objectives and tasks, methods, and factors in increasing labor productivity strictly in keeping with the needs of the current stage and existing potential in Romania in every economic unit. As one of these factors, the contribution made by technical progress to increase in labor productivity during the current 5-year plan is expected to be 52 percent. For this purpose, every enterprise must devote particular attention to introduction and extension of technical progress. Initiatives and measures to this end affect the level of labor productivity in two ways. First of all, mechanization, automation, cybernetic applications, robotization, etc., lead to increase in provision of equipment, and so over this period will enable live labor to create a greater amount of material goods. Secondly, the introduction and extension of advanced technologies can reduce the duration of the production process, and this tends to increase the efficiency of the labor incorporated in the products made.

The potential for introducing technical progress is virtually unlimited. What is needed is knowledge of this potential, identification of existing reserves, and analysis of the efficiency of application in production in each individual unit.

In foundry departments, for example, in the operations connected with the production of molds and core boxes, there is a tendency to use plastics rather than wood or metal. This results in increase in labor productivity in casting, because it eliminates a number of auxiliary operations required for conventional molds—filling, painting, varnishing, etc. At the same time, this reduces the number of rejected castings. Molds for casting can be made manually or by mechanized means. The last-named process is recommended for long-run and mass production, which insures manifold increase in output in this operation, along with substantial increase in the quality of the molding mixture. Cupolas, rotary furnaces, electric furnaces, etc., may be used for casting in the operation of melting metals or alloys. The long charge processing period and the need for reducing coke consumption in our opinion requires more extensive use of induction furnaces in cast iron foundries. In addition, the use of such furnaces offers the possibility of producing a wide variety of cast iron, under easy operating conditions. The output is high and the costs much lower. The castings are knocked out and cleaned after the casting has cooled, a manual or mechanized process being applied. The mechanized process presents a number of advantages as regards output and the quality of execution of the operation.

Because of the lower productivity recorded when the conventional casting method is applied, modern casting technologies should be more widely used (chill mold casting, pressure casting, centrifugal casting, casting in molds and cores reinforced with carbon dioxide, lost wax casting, etc.). For example, chill mold casting insures a labor productivity 2 to 3 times higher than the ordinary method, along with a 40-60 percent reduction of rejects, 50-60 percent decrease in machining allowances, a reduction by the same amount in molding labor, etc. The use of such methods thus contributes also to increase in labor productivity in machining departments, because the machining allowance for pieces is reduced. The long time required for making chill molds and the fact that it is difficult to turn out intricate parts by this method will be taken into account in making a decision regarding choice of a technological option, either casting by the conventional method or casting in chill molds.

Various processes can be applied in forging departments, such as free forging, die forging, drop forging, stamping, etc. Die forging, which is used in working small and medium-sized pieces, insures manifold increase in labor productivity in comparison to the free forging process, while contributing to reduction of the consumption of metal and labor. Substantial potential is also created for increasing labor productivity especially in machining departments because the machining allowances are

small. Generally speaking, the savings subsequently achieved in machining departments offset the additional costs involved in producing dies. The technological processes of stamping yield similar advantages.

Metal cutting accounts for a significant share of production processes in machine building (it is estimated that these processes represent 75 percent of the total volume of operations in this sector). The productivity of personnel operating various machines depends on a number of technical factors, such as the hardness of the materials to be machined, the metal cutting conditions, the condition of the cutting tools and their geometry, the liquid coolant, and the lubricant during cutting, the accuracy of machining pieces, etc. But to confine ourselves to factors of this kind would mean to give one-sided treatment to the problem of labor productivity. Other factors must be taken into consideration, such as work output rating, the degree of substantiation of the component elements of a standard, the size of production batches, correspondence of the category of operation with the average personnel qualification category, the level of organization of production and labor, etc.

Various processes may be applied to work pieces by metal cutting, such as turning, boring, milling, slotting, grinding, etc. We will concern ourselves exclusively with turning, which can be done with different kinds of lathes. The individual type of lathe to be used is determined by the specific nature of the pieces machined and the possibility of efficient use of lathe output and of manpower. The ongoing improvement in machine tools used has resulted in extension and increasing diversification in mechanization and automation of the operations which the tools perform. However, the manifold increase in machining speeds has led to smaller than expected increases in the labor productivity of the workers involved, because initially action was taken only to reduce the base periods, with auxiliary periods remaining at the initial level. The automation of such operations has determined classification of these machines as

automatic machine tools and program-controlled machine tools. Inasmuch as some operations can be done both with general-purpose machines and with specialized automatic or program-controlled machines, the problem arises of selecting the most cost effective of these options so that the labor productivity will be the highest and the costs involved minimal.

In this connection the use of automatic machine tools with a rigid control program is limited to mass or at most long-run production. The long period required for adjusting automatic machines and sometimes the need for definitively replacing parts, subassemblies, etc., justify the use of program-controlled machine tools. Such machines can exploit the advantages of automation (high output, low cost, etc.) in short-run or single-item production. As is demonstrated by the experience of many units, among the various modifications of program-controlled machine tools specialists should devote increasing attention to numerically controlled machines, because such machines can be controlled from a distance, remotely, and are characterized by high precision in operation, so that the machining allowances required for parts are small. In manufacture of products in long runs efforts should be aimed at use of unit-head machine tools and at connecting them by means of transfer lines to form automated production lines.

The introduction of technical progress in every industrial unit should obviously be the result of extensive studies and technical and economic analyses performed by specialists and by worker collectives. Significant untapped potential exists in this area in every shop, department, or enterprise.

A future article in this journal will analyze the chief aspects of intensification of the other two important factors in increasing productivity, improvement in the organization of production and ongoing increase in the skills of labor personnel.

POLAND

Gdansk Anarchists Discuss Social Attitudes, Values

26000425 Warsaw POWSCIAGLIWOSC I PRACA in Polish No 12, Dec 88 pp 8-9

[Interview with Pawel, Janek, Ania, Asia, Leszek, and Wojtek, Gdansk anarchists, by Stanislaw Domagalska, Ireneusz Krzeminski, and Antoni Pawlak: "Tomorrow Is Tomorrow, So Tomorrow Will Never Come"; date and place not given]

[Text] Pawel: Surprisingly the extremes of many movements, both social and "parasocial," are represented here. People who have up until now been caught up in many projects suddenly decided to find places where they could meet, to avoid giving up contact with what is called the "meat" of existence. We wanted to create, not a Hyde Park, perhaps, but at least some sort of tribunal where the most diverse viewpoints could be expressed. The meetings in the parish are to help us find answers to the question we continually face: What should we do when nothing more can be done? Among us there are people who in 1983 founded a movement the authorities considered illegal, the Movement for an Alternative Society, Gdansk anarchists who up until now have been expressing their views in their own publication. Our group also has people who took part in the unregistered Freedom and Peace movement, as well as people who call themselves social metaphysicists.

At one point we came to the conclusion that in the midst of the muddle of ideas, programs and roads which seem to have no way out the time has come for people who have been absurdly trouncing one another and quarrelling with one another to meet and talk about the subjects bothering them, so that they can ultimately find a way out of the paranoia in which we have all unwillingly found ourselves. We are just beginning our work in the realm of the anarchists' parish ministry, as we call it.

Janek: We're here, well, let's say, sort of wild. We're here until somebody figures us out and evicts us. Once, during the Totart Museum presentations it almost happened, and we would have ended our cooperation with the parish there. One of the parish activists said that we are responsible for the murders of 3,000 priests in Spain in 1936 and wanted to use the church to help throw us out.

Pawel: It seems to me that our activity is an opportunity to develop a sort of universal program for people seeking answers to questions concerning our existence. I think that within the fire of a self-limiting revolution the virtue of tolerance has been lost. People have stopped talking to one another at all. The most they can do is call each other names. I think our meetings could help revive tolerance, which is approached mainly through discussions and verbal encounters.

Janek: The problem goes much deeper. The various groups, the politicians on politics, the counterculture people on counter culture, don't know much about one another. I'm not talking now about the opposition's total ignorance concerning counterculture and vice versa, where one group considers the others to be crazy, while the latter in turn consider the former to be pigs. It's one of my obsessions I'd like to carry out: to have the punks—I use the word "punk" here in the broad sense of the word—meet with the politicians, and the politicians meet with the punks. Up till now there haven't been any such possibilities. But this is the result: You sometimes hear someone say: "A punk isn't a Pole or a Catholic, so he's going to be an internal security type [policeman, guard, member of the UB] for sure." On the other hand, others say: "A punk is an anarchist, so he's certain to undermine authority." It's only now that people are beginning to take an interest in counter culture. For lack of anything more interesting, the opposition, and the opposition press, has gone after countercultural subjects. I saw this happen in 1986. People were interested then in what were called "colorful alternatives" [like the "pink alternative movement" and the "orange alternative movement"]. These are safe subjects alluding to other more sensitive ones, but they are interesting ones. And, as people always do, they try to bring the conversation down to the level of politics and by the way show that we are doing hardly anything, but it's great that there are some sorts of opportunities for things like protest, that somebody has done something somewhere. People became interested in counterculture, when nothing was going on, when there was complete boredom following the amnesty. I think that the interest in those things will drop off again after the recent wave of strikes. But the situation has changed recently. There are attempts to link politics to the counter culture. But we have to wait to see what comes of it all. Usually those two groups live in ghettos and are isolated not only from each other but also from society. Why is this? I'll give you just one reason: the counterculture doesn't want to get beyond the form, because it is afraid of content and it thinks that in showing the content it will be thrust into politics.

Leszek: Our main thing is to activate people. Take the strike, for example. I don't know what it looked like in other places, but in Gdansk most of the students went out on strike because it was a strike in absentia. You could go home or go sit on the grass, because the weather happened to be nice. Really, there was only a handful of people who took the strike seriously. And this is why it was all a wash out. The only thing accomplished was that there was a card table up on campus with underground literature on it.

Janek: I've never seen such an embarrassing mess in bad taste as the one in Gdansk in May. At the "U," if the university rector hadn't come out and if people hadn't whistled and hissed at him, nothing would have happened. At the technical university, the rector didn't come out, so nothing happened there.

Pawel: I began studying at Gdansk University in 1984. It was a real shock for me to make the transition from secondary school to college studies. What did I see in my secondary school? One percent were thinkers and the rest were passive, willing to give in to any agenda anybody put in front of them. They chewed it over, they got sick on it, and kept on going to school, not interested in anything going on around them. I thought that things would be altogether different at the university. And what I have seen has gone way beyond my boldest expectations. I had never encountered a gulf or a vacuum, or could have even imagined one like that between the university and society. College students are isolated from any sort of conditional relationships.

POWSCIAGLIWOSC I PRACA [PiP]: That sounds optimistic.

Pawel: I used to lament over this. Now I think that it's fantastic! There isn't the work done on command. There are no family pressures. Students can travel. They don't have to go into the army. They have lots of free time for themselves. For most students, college study means 4 years of drinking followed by setting up a family. And all the really smart, dynamic people found companies and make extra money. Those who can, leave. Others look for such opportunities. Still others remain passive up to graduation, until there is a job offer. The long-range prospects for their existence force on them either the hopeful nihilism, which I think predominates among college students, or attempts at social activism with very material interests. There is one other possibility, which I have tried to accomplish. Once I became aware of the morass I'd fallen into, I tried to set up clubs of what are called "social metaphysicists."

I was part of the punk movement. I published a couple of independent things. I arranged concerts. But I wised up and realized that my movement was starting to die, to dry up for the usual reason, lack of activists, people who wanted to push the movement forward. And it turned out that in the country's political necrosis—this was in 1985, 1986, and 1987—parapolitical groups which had artistic ambitions at the same time, were beginning to come back to life. So, using the Taoist principle, we called ourselves a group of social metaphysicists. One such movement is the Wroclaw "Orange Alternative." By the fact of going out into the street, meeting with human flesh without intermediaries, our activities took on the features of demonstrations. My attachment to these movements not only gave me a lot to think about on the subject of an individual living in the system of Polish necessity, but also allowed me self-realization far removed from politics, which is simply a lost cause in the version of the various sorts of salaried activists, be they Solidarity types or others, act.

PiP: You say that people drink and live through their college years as though it were all one big party, and then get married right away, which has lately indeed become very typical. Who do you blame? Maybe the majority of

people have just such a model of life. First they want to sow their wild oats, and then after that they want to have a wife and children. Can you say: That's human nature, so we, who are different, have to create a new realm of action? Or do you blame certain conditions which incline people to somehow renounce themselves, to give up for humdrum existential motives?

Pawel: My experience and that of my friends taught me one thing, which I actually consider a great achievement at my stage of development. We are all responsible for the muck we're living in. I don't hold it against people who gave up on a decent life. My idea of a decent life is one in which you can decide for yourself and where you always have the possibility of making a choice. I don't blame people who become traitors to themselves and their own identity, who don't seize their very fate in their own two hands, and who without a murmur submit to the various institutions that contrive a collective imagination for them. On the other hand, I am thinking about those people who aren't content with just bearing a grudge against the whole world for having screwed up their lives, but by their very inertia suck others into the vicious circle of Polish hell.

PiP: Why is this teenage activity ending so suddenly? What's the reason for this?

Ania: I think there needs to be a stimulus for something to be done, an incentive that would attract people. At school nothing is happening. Some of my friends said recently that they handed out leaflets at "Number One." They didn't even do a decent job of distributing them. They left them in a bundle in one spot, and nobody even held them up, because everybody was afraid. Young people aren't interested in anything. They are resigned. They are searching, but they themselves don't know what they're looking for.

Janek: When schooldays come to an end, that's the end of free time too, and, most important, being with one another day in and day out. People start getting involved with living, that is, mainly scraping up something to live on. Besides that, they have no chance to continue their passions and creativity. In adult life it's impossible to participate in amateur activities like publishing a paper, running a club, and so on, because to do that you need two things: first, the funding, and there isn't any, and then, social acceptance, and you can't count on that either, because our society is intolerant.

Ania: People need to be encouraged to think, especially young people. Now all that anybody is thinking about is eating and having fun! For example, in school I never met anybody I could talk to about anything serious.

People only talk about happenings. And that's why I'm sorry so few of us came here today. And we really are talking about important issues which concern our future.

Asia: In school nobody wants to act. Everybody wants to have everything already fixed. I walk to class with a guy who wanted to change something. He's the chairman of a self-government which we elected democratically and legally. The principal's office gave him a free hand. He could really do whatever he wanted. Two girls were helping him. At the beginning of the school year it seemed as though he would be able to do a lot. We came up with a tremendous number of ideas and proposals and they were really interesting. A year later it turned out that not one was accomplished. And it wasn't because of the school's front office or because of organizational reasons. It was simply because nobody wanted to take part in anything.

Pawel: That's the syndrome of the alcoholic's wife! This is how it works: A woman marries an alcoholic and bears his children, usually not too well, because she is worn out and depressed. But she stays with him and raises his children, although she is unhappy. Later the alcoholic dies, and then she marries an alcoholic again. And again she puts up with the humiliation, the mess, the poverty, and the fear. But what do the poverty and the fear relieve these women of? Any sort of active stance. They don't have to do anything, because they are not the ones to blame. The poor alcoholic who humiliates such a woman and makes her his slave is to blame for it all. And everybody feels sorry for her. I think our society is an ideal reflection of that model. In the situation which predominates in our city and in our country, I don't think anybody has the right to say that they are incapacitated and have no chance for self-realization. You really can find holes, empty spaces anybody can go into and do their own thing. And if not, at the very worst you can pack up and go to the FGR, for example if your grandfather served in the Wehrmacht.

Leszek: Let's make things clear. We don't want to have a group of people gather here and start creating new art or new ideology. What we're interested in is giving people the possibility of survival, of self-revelation. I'm not counting on college students much, because they can afford to go home and rest. We are counting mainly on young people, perhaps still some in the first year of college, but probably mostly kids in secondary schools who still want to do something.

Wojtek: Actually, that was typical. Most of the people who went out on strike were in their first years of college. At my institution the freshmen broke records. These young people really are waking up. They are still interested in their own development. As I mentioned earlier, when we showed films, people came. When we proposed discussions, very few came.

Janek: And once when we brought Donald Duck to thaw out their brains and provide an attraction before a discussion we had planned to hold afterwards, they wanted to kill us for not showing them Pluto.

Asia: You all think that young people who are attending secondary schools are the same as those who were there a few years ago, 3, 4, 5 years ago. But that's not so. Those who are freshmen at these schools now are completely passive. These people really don't want to do anything. They don't want to become involved in any area. They know that whatever they do will turn out wrong and end in disaster. And that's why a person doesn't have the inclination to do anything.

PiP: Where do people come down with this disease of powerlessness? At home...

Wojtek: Everywhere. At home, at church, at school.

Janek: We are brought up to be passive mainly by the Church. The authorities only use the ground that has already been prepared previously. The basic thing in Poland is that religion has nothing to do with faith. In our country the Church is the Ersatz of lost independence. Any Pole who is not a Catholic is a Jew, or a mason, and so on. And the guy is ostracized, as we well know. In Poland you can't ignore the generally accepted models. But most people don't want to live by those rigidly programed models at all, and since they can't do their own thing and live their own lifestyle, they stop doing anything at all.

Pawel: In Gdansk they're building a whole number of churches now the size of planetariums. For example, the so-called golden triangle in Zaspka, where three new churches are springing up within a radius of 3 kilometers. And there isn't a single shelter for the homeless in this city. But these people exist, and there will be more and more of them. But the Church does absolutely nothing to help these people. And if you're talking about young people—I myself have been in an oasis throughout secondary school—the Church is suspicious of them. The Church is losing young ambitious people, because it gives them no opportunities. I think that the Church is simply not interested in any activity which would change the present status quo, because it's doing just fine in Poland today. The Church by no means wants true democracy in Poland, because people would start to talk out loud about the negative sides of development, not just material development, but also spiritual development as well.

Leszek: Our friend is right. The Church has set off in the direction of constructing buildings. It's just that it's not clear who they're for, because at some point these buildings could wind up being empty.

PiP: We also see a contrast between the magnificent building of the Episcopal Secretariat and the single little room of the charities commission at Saint Marcin's

Church in Warsaw. But the matter is not that simple. Now why are there no religious sisters in the hospitals or church-run homes that care for people? It's not as though the Church was reluctant to reactivate this activity with its ages old tradition. These possibilities have been blocked. So we have to tell ourselves that here we are dealing with a political problem, a problem of civil liberties. For example, how many associations have been refused registration? How many people's initiatives have been blocked?

Leszek: I heard a little while ago that you can't do anything, because you can't register. We here aren't registered and don't want to be registered. This is such a typical Polish way of talking and thinking: We will register and start engaging in activity, because then we will be able to.

PiP: And if they run you out, what will you do then?

Pawel: I think that there is a simple energy relationship: you get as much energy as you give. In the summer of 1986 I was thrown out of the Academic Youth Arts Festival, and then I was kicked out of two musical presentations, but today I am getting invitations from those very institutions. After all, they understand that you have to call on those who are still alive. And we, indeed, are living. And the time will come, when there will be possibilities but there won't be any active people anymore. And this is why I don't agree with the opinion that the state is forbidding the Church to engage in social apostolates.

Janek: I'm talking about something else. What's the situation with the Christian movements which have recently been very active? The Church is simply digging them up. I myself heard a priest tell from the pulpit about how there are people in our parish who gather in houses by candlelight and read the Bible to one another and then discuss the text. And he said: "Watch out." That wasn't very long ago.

PiP: What sort of positive ideal do you have? What sort of life in Poland would satisfy you?

Janek: I have a minimalist program, to be able to do my own thing and not have anybody bother me. [Passage deleted from original text and replaced with notation: Law of 31 August 1981, "On the Control of Publications and Performances," Art 2 Point 6 (DZIENNIK USTAW No 20, Item 99; amended 1983, DZIENNIK USTAW No 44, Item 204) ...], if the Church were to carry out the command of the Gospel, today I would not be an anarchist but a believing Catholic and a member of Solidarity.

Leszek: We are striving for pluralism not in words but in what we would like to do, to genuine pluralism in the social and political sense and in the sense of true democracy.

PiP: What do you mean by democracy?

Janek: We are advocates of direct democracy. Today after so much experience with the Church, with Solidarity, and with parties, I have become an anarchist. The reason I don't vote isn't because I think that they are false or not free, but because I don't think that a person should renounce his own activity in favor of somebody else. He should do everything for himself.

PiP: That's a very impressive program, but unfortunately it's not much in terms of implementation. You said: I would like to do something and not have anybody interfere. Is such a condition even possible?

Janek: I'm asking for a minimum of freedom.

PiP: What does that mean?

Janek: What does it hurt anybody if I want to set up a club? But I don't have any such possibility in this country. It's simply that nobody will give me the space. And if I set up a club in a private apartment, then the security police will come running in.

PiP: In ordinary life it's always like that. Somebody doesn't like what you're doing. If you adopt a pluralist hypothesis, you have to assume from the start that there will be people who won't like it. You have to be aware of that. And then it's worth adopting some sort of principles. At any rate, what's your postulate like?

Janek: I'd like to have the possibility of setting up a club, as I already mentioned. I've tried many times, and it always turned out badly. All the attempts are tolerated, so long as they don't bother the authorities or the Church. And could the existence of a club in my home really bother anybody?

PiP: Unfortunately, yes...

Janek: I have this obsession to go beyond the black and white world of the Church and the authorities, because in Poland you can only be either one of the faithful or a communist. Otherwise, people look at you like an idiot. I have no proposals for saving mankind. I would just like to have mankind permit me my self-realization. I have hundreds of examples of how everything is falling apart for us. We have a gathering by the river. There's nobody there but us, and the police drive up and break it all up. A guy's going along, and the fact he has long hair is already enough for them to screw around and hassle him. It's a question of tolerance.

PiP: That's got nothing to do with tolerance. It's a question of having guarantees. So it's a question of the operation of the state.

Janek: But I'm not interested in the state.

PiP: You know either you take an interest in avoiding having the police catch you or your resentment is totally unjustified. One way or the other.

Leszek: If it's a question of choosing a form of organization, for me Switzerland is the ideal state. I'm an anarchist mainly in regard to what I see, towards all the institutions that exist in Poland. Both the Church and the communists think that they are the best and that they should govern, because in this country there's nobody capable of making decisions. Why don't they say that nobody can do anything? Then I would know where I live. I would live here or somewhere else. At least my situation would be clear. The worst thing is self-deception. People deceive themselves. At this moment there is nobody in Poland you can talk to and come to some sort of agreement with. That's the situation.

PiP: We're interested in what sort of expectations you have of each other, what you are for one another, because if you come here to say that each person wants to do only what takes your fancy, we don't think it's possible to create any sort of group here, any sort of bond. When Asia was speaking, it seemed to us that you come here out of a deeply human need, the need for ties with other people, but after all that need is somewhat different from desires for self-realization. This is the question: Do you have a sense of community with one another, and what is it like?

Leszek: Those who first got the idea of meeting here are not just any people. We can depend on them. They have proved themselves in difficult situations. As for friendships, I think that a friendship develops in practical action. But for us the most important thing, actually, is to encourage action, liberate people from the fear that is rampant now, the sluggishness, the anxiety.

Ania: Which means we have something in common that links us.

Janek: But not opinions. We have agreed that the moment we cross that threshold, we forget who comes out of that sort of organization and we don't talk at all about political views or methods or aspirations to save mankind or Poland. We talk about concrete things and not ideas. People should be linked by common interests and not share various values. By values we mean ideology, religion. On these subjects nobody will be able to come to an understanding with anybody. But if we have a common interest and have to talk about something, to do something together, then it works. Talking about how we imagine the vision of future society is nonsense. We think that we are making this future society even today by talking to one another. When I hear such general questions, I succumb to being doctrinaire. When I am asked a slogan question, I have to reply with a slogan answer, because you force me to. Tomorrow will always be tomorrow, so tomorrow will never come. So why talk about what will happen tomorrow?

PiP: I'll tell you another slogan: Without tomorrow there is no today. You can see this perfectly in this country.

Pawel: As for me, these meetings also are an excerpt from my life, and at the end of June 1988 I am doing an independent publication, I am participating in the publication of three others, I am setting up two gigantic festivals, and I am inviting the television to come from Krakow to Gdansk to film these events. At these meetings there are people from groups and parties like the ND, Freedom and Peace, Movement for an Alternative Society, people like Walesa, Fascists, artists, and radical leftists. And I come here, because I want to have one more place, where I can hold a peaceful conversation and listen to somebody's opinion, and where everybody is doing something different.

PiP: What you said about your activity is impressive. It's not enough to feel free. You also have complete freedom to act. So why do you call all this "garbage"? You should actually be happy. There are few guys in the world who could say that they are doing so many things at one time and that they have a sense of what they are doing.

Janek: This impresses you, but not him.

Pawel: I'm talking about the mess I ran away from. Things worked out for me. I am an escapee. But it exists. Talking about it, I am thinking about my friends who are all washed up. It worked out for me. I would like to have been permitted in Gdansk to create something which the Germans managed to create in West Berlin. This is my minimum as well as maximum program. They created a whole district there for people searching like that. These people have a free hand there. And it's by no means the fringe element. Kreuzberg is the size of Gdansk. There are about 40,000 young people living there. They have their own food outlets, their own work, their own movie houses, their own concert halls, their own churches, their own religious sects. And this is a whole society. And it's by no means because they are smarter than we are or better and that we are somehow contaminated, stupid, slaves in the world arena. No, they are more pragmatic. They are linked by interests and not ideas. At a certain moment they became aware and asked: Why do we have to cut each other to pieces, when we can say: Live as you like, just don't get in our way.

Wojtek: Friendship is the only thing other than love that teaches people how to live in society. It teaches people how to make contact with one another. Our experience shows that ideologies only divide people. Beginning discussions on ideological subjects creates divisions. We—at least I—don't want to build a great country, create a new police or institutions. I only want to have a larger group of friends and thereby self-realization.

Ecology Movement: Regional Groups Focus on Regional Issues

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No 18, 30 Apr 89 pp 1, 7

[Article by Krystyna Jagiello: "Still Life and Living People"]

[Text] When the Polish Ecological Club came into being in September 1980, public opinion received this fact with disinterest. Ecology was not to become a popular subject for several more years. What affected this? The inability to find an outlet for public passions during martial law and later years, the suspension of the censorship blockade of information regarding the state of the environment and, in connection with this, the fairly broad media publicity given to this issue or simply the appalling state of nature. Certainly a little of all these things. It was enough that protection of the environment, in which not long ago only individuals had been involved, became the program of many groups, even the parties that emerged in Poland in the 1980's.

There are currently about 40 proecology organizations whose purpose is environmental protection and about 60 organizations that while they do not single this out as their main purpose, take it into consideration in their programs. The Polish ecological movement emerged as a movement of protest against pollution of nature, but it is not limited to that. The people who undertake action on behalf of the environment manifest exceptionally great desire and ideas in positive action. The movement's activists are mainly the intelligentsia, youth and, rarely, peasants. Imagine! Never workers, although they comprise the social group that suffers most because of pollution of the environment. The Silesian Ecological Movement, for example, originated among students who, in February of last year, together with the "Freedom and Peace" organization, conducted a seminar on how to save Silesia. This gave the impetus to organizational structures and publication of a report entitled "Ever More Still Life." The authors of the report speak frankly about their place on earth: Silesia—2 percent of Poland's area, 20 percent of the entire country's production, 30 percent of its industrial pollution.

One of the goals of the ecological movement in Poland is identifying the problems of the natural environment and publicizing them as well. Of the 40 organizations that have emerged with the purpose of protecting the natural environment, some are oriented exclusively toward practical action while others associate the problem of ecology with philosophy. Among those who preach that the country is not in a position to protect the qualities of nature without making changes in the spiritual realm is the Franciscan Movement. It has made exceptional contributions toward making us aware of the connection that exists between ecology and Christianity. Members of the ecological community that emerged from the

church of the Franciscan Reform Fathers in Krakow say that Christianity is proecology by its very essence. They also single out the concept of ecological sin, which is a sin against nature. The movement unites clergy who celebrate masses for the intention of saving life (meetings with residents of the region take place after the liturgy) and lay people who conduct lectures.

The need for spiritual development of the individual capable of exhibiting an attitude toward his environment other than an aggressive or careless one is also propounded in the platform of ecological groups called the Living Architecture Workshop in Gliwice and "Healthy Human," a movement established by doctors and scouts. The main center of this movement is the Senior Scouting School in Perkoza near Olsztynek.

Many public initiatives are emerging with the goal of protecting regions, small towns and villages—once beautiful, today devastated or threatened with devastation. For example, the Public Committee for Protection of the Great Mazurian Lakes, numbering 150 people, has existed since 1984. In 1988 there emerged the Public Movement to Save the Hel Peninsula, whose soil is constantly "dwindling." In the past 20 years its surface has decreased by 50 percent. The peninsula's largest inlet is now a mere 70 meters. If the erosion of Hel Peninsula continues at this pace, the next generation will learn about it only from books. "Methods to fight the erosion process are available," say members of the public movement, "but the authorities are not interested in them. But we are obstinate. Our fathers fought to the last man defending this soil and we will fight to the end."

The Bieszczady Defense circle originated in Lesek. It appears from the group's work thus far that it is protecting the Bieszczady mainly from the Igloopol firm, to which many hectares of land in the region belong, land cultivated at the cost of deforestation, destruction of streambeds and construction of residential structures where sewage systems have been forgotten. The firm also operates stock farms at the source of Bieszczady waters. The ecological group is protesting the firm's activities in the area.

The "Vigil" Citizens Committee in Darlowo originated in June of last year when the residents of that charming summer resort town on the sea learned that not far from Kopan Lake a nuclear power plant was to be built. A meeting was called (in a building surrounded by the militia) during which a letter of protest with the signatures of 15,000 residents was written to the Sejm. In response to the letter, power industry experts came to Darlowo and began to inform the population that atomic

energy is good. The residents organized a peaceful demonstration. The Darlowo authorities are now collecting signatures for a letter supporting the project to build the power plant. The battles goes on.

Ecological groups in other places in Poland are doing likewise. The Wielkopolski Ecological Seminary in Pila—an organization concentrated around the Catholic Intelligentsia Club—organized a protest against the construction of an atomic power plant in Klempicz which 20,000 people supported with their signatures. The Polish Ecological Club in the Wielkopolski region published a leaflet that concluded with this slogan: "You will not be active; you will be radioactive." We read in the leaflet: "According to the calculations of Prof Bojarski the cost of building the Warta nuclear power plant in Klempicz will come to 1.7 trillion zloty and would be the most expensive structure in the history of Poland. If a modern coal-fired power plant, which would not pollute the atmosphere with sulphuric and cupric oxides, were to be

built in its place, it would be necessary to spend only 580 billion zloty. The money saved could be allocated for desulphurizing waste gases from existing power and heating plants and building plants to concentrate and desulphurize the coal from our mines."

Unfortunately, despite public protests and arguments on the part of Solidarity at the roundtable, not one of the existing projects for constructing nuclear power plants has fallen through. So up to now, it is everyone for himself. The public movement and state decisions are leading to totally independent areas. But let us not be discouraged by this. For now one has to be satisfied with small achievements, such as those gained by the ecological youth group "I Prefer to Live," which led to the closing of a school polluted by bituminous coal dust in Gdansk. The ecological movement in Poland is not strong enough to boast of outstanding achievements, but it is growing stronger and much more popular than a few years ago.

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